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NEAR EAST/NORTH AFRICA REPORT

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'ARAFAT DISCUSSES PALESTINIAN, ISRAELI WAR

Havana GRANMA WEEKLY REVIEW in English 23 Aug 81 p 3

[Interview with Yasser 'Arafat by Rodolfo Casals and Pedro Rioseco, of GRANMA and BOHEMIA]

[Text]

GRANMA: Comrade Arafat, first of all we would like to know your views as chairman of the PLO on the present situation faced by the Palestinian Resistance at a time when the aggressive policy of imperialism and Zionism is being intensified.

ARAFAT: What happened in the war last month, which lasted 15 days and was directed at the Lebanese and Palestinian peoples, the Palestinian Revolution and the PLO, was an outgrowth of a war lasting 11 months, a war aimed at destroying the Palestinian Revolution, the PLO and the Lebanese and Palestinian peoples, on the orders of the United States. This was made very clear in the statements issued by U.S. officials. The most significant and explicit of these statements was made by National Security adviser Richard Allen, who said that the Israeli army had the right of hot pursuit of the Palestinians and that the Soviet Union, the PLO and Cuba were the centers of international terrorism. They feel the PLO is the weak link and that's why they are concentrating their political, military, diplomatic and information forces against the PLO.

We have been confronted with a savage war of attrition directed at the Palestinian and Lebanese peoples. The most modern U.S. weapons were used in the war, even those which were banned by international agreement. These weapons unleashed an inferno against the civilian population from the air, land and sea.

Actually, it isn't just Israel alone, it is the U.S. weapons used by Israel and the U.S. orders carried out by Israel.

These savage attacks carried out for 15 days caused 2600 dead and wounded among Lebanese and Palestinian civilians. You have seen the destruction in Beirut, Sidon, Tyre, Nabatiyeh, Hasbia and dozens of other Lebanese towns and camps where the Palestinian refugees live.

They wanted to strike a blow at the Palestinian leadership; cut off our flow of supplies by bombing roads and bridges in the south, over which we must pass; shatter the infrastructure of our military forces; and cause a split between the Lebanese and the Palestinians.

After having lived through this hell recently, I can assure you that they have failed on all four counts. We have defeated the Israelis, defeated them militarily, and we turned back five efforts they made to capture as many spots: three by sea, one by paratroops and the other with armored vehicles.

That isn't all. In the midst of this savage attack, the leadership of the Revolution gave the order to quash Israeli fire at its source. This is the first time in the history of the Arab-Israeli crisis that we carried the war to the Israeli settlements.

Now they are preparing a new attack for many reasons. Of course, one of the reasons is to pave the way for the Camp David conspiracy. The new Israeli Government is already in office and will embark on another adventure for Begin to present to his master Reagan on his coming visit, thus proving the need for the Zionist watchdog who carries out the orders and machinations of the United States.

Our reports indicate that Israeli troops are being concentrated in southern Lebanon, and Begin had the gall to say that the cease-fire was temporary. Defense Minister Sharon wants to flex his muscles now, and the Reagan administration wants to write off the Palestinians. My response to all this is, welcome back. Just as they've been defeated once they'll be defeated again.

BOHEMIA: After the bombing of Beirut and southern Lebanon in mid-July, there were expressions of condemnation all over the world.

How do you view the response of the Arab countries to this new Israeli massacre?

ARAFAT: There is an Arab response which does not meet the challenge faced by the Arab nation. We have stated this clearly. We must remember that Beirut is the second Arab capital to be attacked, the first being Baghdad, where the Iraqi nuclear reactor was hit. Two Arab capitals have been bombed within a month.

The Arab nation faces an important challenge and now is blockaded by three U.S. fleets: the 6th Fleet in the Mediterranean and the 5th and 7th in the Red Sea, the Arab Gulf and the Indian Ocean, in addition to the rapid deployment force which has started to reach the area. Unfortunately, they were able to secure bases in Ras Banas, Egypt; Barbers, Somalia; and the island of Massirah, Oman. These are in addition to the nuclear base on Diego Garcia Island.

Our Arab nation is faced with a challenge that is, to be or not to be. There is something else that is very dangerous: our children and our future are threatened. Most important of all, I want to tell free and honest people everywhere that a threat to security in the Middle East is a threat to the security of the world. The security of the Middle East is the security of Europe, Africa, Asia and even the Caribbean.

BOHEMIA: What is your view of the role played by U.S. envoy Philip Habib in the Middle East before the intensification of Israeli aggression?

ARAFAT: As I said before, we are confronting U.S. determination and weapons. A particular statement by President Reagan is really very threatening. When he met with some Arab ambassadors he asked why the Arab countries didn't take the Palestinians in and thus spare the United States that headache.

The United States has decided to continue the Camp David conspiracy. Habib is implementing this aggressive policy against the Palestinian and Arab peoples. Even Sadat, their agent in the Middle East, was offended during his last visit. Reagan's response reflected an arrogant contempt for all moral standards and for the UN resolutions. And that was with his agent Sadat, so you can just imagine what it's like with us. If they are contemptuous of their agent Sadat and deal with him in an arrogant manner, just imagine what it's like with us.

GRANMA: Finally, Comrade Arafat, could you tell us what are the immediate and future tasks of the Palestinian Resistance?

ARAFAT: Of course, our main objectives are the establishment of an independent state through the self-determination of the Palestinian people, implementing the Palestinian people's right to return to the territory they have been driven out of and carrying out the political program of the Palestinian National Council which was adopted in April. We must also confront the Israeli military clique and its crimes against the Palestinian and Lebanese peoples in occupied territory and elsewhere. We cannot forget that our people in the occupied territories live under very difficult conditions and face permanent oppression and systematic state terrorism from the Israeli occupiers. I ask Reagan, who are the real terrorists? Are they the Soviet Union, the PLO and Cuba, or rather Israel and behind it, the United States?

We are closing ranks more and more with our people at the mass, cultural and political levels and our grass-roots organizations at the political, diplomatic and of course military level in order to cope with Israel's ultramodern military machine.

We are strengthening our solidarity with all democratic and progressive fighters in the Arab Nation and the rest of the world because we view our struggle as part of the international liberation struggle. We feel our struggle is progressive and democratic, and we must strengthen ties with all progressive and democratic forces.

The Palestinian Revolution is a strategic factor for change in the Middle East. That's why the imperialist, colonialist and Zionist concentration of forces in the area is so great. But we are not afraid. We have been fighting for 17 years and can continue fighting even longer. Our people's determination and the determination of peoples everywhere can't be defeated because it's in tune with history. Our enemies are going against history. That is why our people will also win. Time is always on the side of the peoples.

I would like to conclude, on behalf of the Palestinian people, the Palestinian revolutionaries and the revolutionaries of the Palestinian-Lebanese joint forces with which we are in the front line of battle, by thanking Cuba, the Cuban leadership, the Cuban people, the Communist Party and Government and especially dear Comrade Fidel Castro, who support us in an honest and firm manner. They are on the side of all just causes, with the cause of the Palestinian people at the top of the list.

I want to tell you that the geographical distance is real and very great, but in our hearts we are very close.

INTER-ARAB AFFAIRS

OAPEC MINISTERS DISCUSS OIL SURPLUS

Kuwait AL-QABAS in Arabic 17 Jul 81 p 13

[Article: "OAPEC Ministers End Al-Ta'if Conference on Oil Surplus and Achievement of a Unified Structure; al-Khalifah and Yamani Charge al-Shirawi With Completing Measures for Registration and Announcement of Oil Conversion Company in al-Manamah"]

[Text] SAUDI NEWS AGENCY reported yesterday that six Arab oil ministers and Bahrain's minister of development and industry held an unofficial meeting the night before last in al-Ta'if in which they discussed their petroleum policy.

The news agency reported that this meeting was attended only by Shaykh Ahmad Zaki Yamani of Saudi Arabia, Shaykh 'Ali al-Khalifah al-Sabah of Kuwait, Yusuf al-Shirawi of Bahrain, Tayih 'Abd-al-Karim of Iraq, Belkacem Nabi of Algeria, and 'Abd-al-Salam Zaqr of Libya. The states named, with the exception of Bahrain, are the member states of OAPEC.

Observers feel that the problem of petroleum surpluses, which Dr al-'Utaybah estimates at around 4 million barrels per day for the month of July, formed the central point of the discussions at this meeting. It is also known that the OAPEC ministers who attended the meeting are among those who wish to apply pressure on Saudi Arabia to decrease its population. Riyadh rejects this initiative, hoping to convince the other petroleum exporting states to lower their prices for the sake of unification.

Radio Riyadh reported yesterday that a number of matters related to Arab oil affairs were discussed during the meeting in a framework of coordination and joint consultation among the ministers.

In Baghdad, Iraqi Oil Minister Tayih 'Abd-al-Karim, who returned yesterday after participating in the al-Ta'if meetings, said that these meetings included discussions of conditions in the international oil market, matters pertaining to the oil surplus, and means of achieving a unified structure in addition to moves aimed at strengthening and developing OAPEC.

Meanwhile, Shaykh Ahmad Zaki Yamani, Saudi Arabia's minister of petroleum and mineral resources, announced that he had signed an agreement with Kuwaiti Oil Minister Shaykh 'Ali al-Khalifah al-Sabah and Bahraini Minister of Development

and Industry Yusuf Ahmad al-Shirawi for the establishment of a plant to produce light oil with the participation of the three states. The headquarters of the plant will be in Bahrain.

Shaykh Yamani said that he and the Kuwaiti and Bahraini ministers participated in a petroleum meeting yesterday attended by six oil ministers from the OAPEC states.

He said the meeting involved mutual consultation, coordination, and exchange of views on petroleum matters affecting the member states as well as the airing of opinions on the reduction of petroleum production.

REUTER quoted oil affairs analysts in Bahrain as saying: "Important member states of OAPEC pressured Saudi Arabia to reduce its huge production of oil during yesterday's meeting."

The analysts said: "Shaykh Yamani certainly faced strong criticisms yesterday because of the Saudi surplus, which is partially responsible for the current glut in the oil market."

The results of yesterday's talks have not become clear. However, analysts and diplomats in Saudi Arabia said last week that the Saudis are apparently determined to maintain their policy.

In al-Manamah, Bahraini Minister of Development and Industry Yusuf Ahmad al-Shirawi announced yesterday that an agreement had been reached concerning the study and construction of a plant for the conversion of heavy oils into light oils, which yield a favorable return on world markets. The agreement was concluded among the Saudi Petroleum and Mineral Resources Organization, the Kuwaiti Petroleum Organization, and Bahrain's Ministry of Development and Industry.

In a statement to THE GULF NEWS AGENCY yesterday, Mr al-Shirawi added that he had signed a protocol for the establishment of that company as well as the ground laying contract for the company and the company by-laws in al-Ta'if the night before last with Saudi Minister of Petroleum and Mineral Resources Ahmad Zaki Yamani and Kuwaiti Oil Minister 'Ali al-Khalifah al-Sabah.

He added that the Saudi and Kuwaiti ministers charged him with completing the legal measures for the registration and announcement of the company, whose main office will be in Bahrain.

He explained that the sum of \$2 million had been allocated for economic and technical studies of the project. The size and capital of the project will then be established based on these studies.

At the conclusion of his statement; al-Shirawi said that this project is unique in that it will produce heavy fuel oils--and possibly heavy crudes in the future--in contrast to the other refineries that have been built in the region, which are restricted to the refining of light and medium-grade oils.

8591

CSO: 4304/84

INTER-ARAB AFFAIRS

BRIEFS

READINESS TO SUPPLY URANIUM--Abu Dhabi, 11 Sep (OPECNA)--Mauritania has indicated its readiness to supply any Arab country with uranium when it begins uranium production in three years' time. Mohamed Eli Moktar Ould Zamel, the Mauritanian minister of mines and energy, expressed this readiness in an interview given while visiting Kuwait. In May Mauritania signed an agreement with Iraq under which the two countries will cooperate in uranium mining ventures in the African country. Zamel's visit to Kuwait was part of a tour of Arab states. [Text] [LD141236 Vienna OPECNA in English 1400 GMT 11 Sep 81]

CSO: 4500/51

AFGHANISTAN

INTERVIEW WITH AFGHAN MUJAHIDIN LEADER

GF120855 Salalah Domestic Service in Arabic 0700 GMT 12 Sep 81

[Report on interview with Rasul Sayyaf, leader of Islamic Alliance for the Liberation of Afghanistan by 'UMAN, date and place not given]

[Text] Professor ('Abdolrab) Rasul Sayyaf, leader of the Islamic Alliance for the Liberation of Afghanistan and one of the leaders of the Afghan Muslim Mujahidin currently visiting the country, has said that the courageous stand of Sultan Qabus and the Omani people in the face of the Red Communist advance--a stand that culminated in a great victory--has greatly benefited the attempts of Muslims to resist this advance and topple the atheist ideology which the Soviets are trying to plant in Muslim countries.

In an interview with the newspaper 'UMAN, Professor Sayyaf said that in defeating Russian agents and communists the Omani leadership and people have protected the area countries against their evil. He said that the PDRY, which the Russians have turned into a den for bandits and terrorism, was not threatening only Oman but was also threatening several countries, including Afghanistan. Sayyaf added: The Russians have brought their bandits to the PDRY to fight the Afghan Mujahidin, and that the PDRY regime--a Soviet surrogate--is involved in the war that is being waged by the Mujahidin against communism. Sayyaf said: The PDRY regime has sent a large number of soldiers to fight the Afghan Mujahidin to carry out Moscow's orders.

Sayyaf declared: The Russians are using PDRY citizens in the war against the Afghan Mujahidin because they are aware of the respect the Afghan people harbor toward the Muslim Arab people. He said that these tactics are part of the deceit to which the Soviets resort in striking at patriotic forces. However, he said, the Afghan Mujahidin are fully aware of this fact.

Professor Sayyaf said that the regimes that are Russian surrogates and those that have adopted a negative stand toward the Afghan Mujahidin's struggle against their enemies, the communists, are shaky regimes that do not enjoy any popular support within their countries, and predicted a popular uprising against these regimes.

Referring to the recently concluded agreement among the puppet communist regimes of Libya, Ethiopia and the PDRY, Professor Sayyaf said: The agreement was concluded within the framework of the intensification of the Russian presence in the region to implement their plans which converge with Moscow's expansionist plans. He urged Muslim countries to unite their ranks to confront this suspect treaty.

Referring to the situation in Afghanistan Sayyaf said: The Afghan Mujahidin are tightening their control over many areas of Afghanistan. The weapons the Russians brought to kill the Afghan people have been captured by the Mujahidin and used against the Russians. He asserted that the puppet Karmal regime is isolated and does not enjoy any popular support. He said that the recent call of reservists is a farce because no Afghan army exists at present--most of the Muslim members of the army have joined the Mujahidin.

In conclusion, Sayyaf lauded the support of the Arab and Muslim countries for the Afghan Mujahidin's struggle. He urged the leaders of these countries to render more material and moral support until the invading Soviet forces are fully evacuated from Muslim Afghanistan.

ISO: 4604/9

ALGERIA

POSSIBLE EFFECTS OF CULTURAL CHARTER DISCUSSED

Paris LE MONDE in French 3 Jul 81 p 3

[Article by Daniel Junqua: "The Cultural Charter Plan Elicits Worry Among the Berbers"]

[Text] The proposed cultural charter which is on the order of business for the meeting of the FLN [National Liberation Front Party] central committee (LE MONDE on 2 July) caps a series of debates the very nature of which has given rise to controversy. Though no one admits it officially, the launching of this vast enterprise which the regime hopes will be spectacular is the direct consequence of Berber cultural demands.

After having smoldered in the shadows for some time, these demands, which emerged into the open in spring 1980, reached a climax with the Tizi-Ouzou riots in April.

The dissidents, who were also militating for freedom of expression and information, refused to take part in the official debate and denounced it as "mystagoguery" at meetings organized at the Universities of Algiers and Tizi-Ouzou. The novelist Mouloud Mammeri and playwright Kateb Yacine made no secret of their suspicions about a "deceptively democratic process, entirely controlled in reality by the party bureaucracy and leading to conclusions elaborated in advance, perpetuating the absolute primacy of Arab-Islamic values."

"Culture," Mr Kateb Yacine told us, "is not something that can be turned on or off at will. Culture is life, and first of all it needs freedom and non-conformity to flourish." In fact, quite a few leaders of the Popular Culture Movement are expressing their reservations about the very idea of a "cultural charter." "The written word assumes such a sacrosanct character in Islamic countries," we were told by one of them, "that a document of that sort could become a real millstone around our necks instead of an instrument of emancipation."

Discussions organized "at the base" by the FLN, even though they drew only a minority of citizens, did have the virtue of highlighting in its full scope Algeria's cultural barrenness in every field and at all levels. The number of cinema houses, theaters, auditoriums, and art galleries built since independence is minute; the old structures are so rundown that some of these establishments have had to be closed for health or safety considerations. Theatrical and musical creativity is insignificant. A number of Algerian writers, particularly

those writing in French, are published abroad. "From 1962 to 1979," wrote EL MOUDJAHID recently, "or in other words during the 18 years of our independence, about 1,800 works of all kinds have been published by some 46 public and private Algerian publishers, or an average of 100 per year. In absolute terms, or even in comparison to other medium-sized countries, the nation's intellectual output appears ridiculously low."

Only the cinema, at least for a time, escaped this stagnation and acquire international fame owing to directors like Bouamari, Merzak Allouache and Lakhdar-Hamina, who got the Gold Palm at Cannes for his "Chronique des Annees de Braise." But in a number of cities and towns the only meeting halls are the mosque and the only cultural events Islamic conferences, which are especially numerous in the month of Ramadan.

Journalistic accounts stress that many participants emphasized the necessity of promoting arabization "from the perspective of unification and openness" and with the aim of promoting Islamic values. The popular debate was accompanied in the press by a broad exchange of views in which some intellectuals participated, among them Mostefa Lacheraf, the former minister of education and author of "Algeria: Nation and Society,"* Dr Otmane Saadi, and Professor Abdelghani Megherbi.

Dr Ibrahim's Study

The most notable contribution was doubtless that of Dr Taleb Ibrahim, minister-counselor in the office of the president of the republic, who published in EL MOUDJAHID, under the pseudonym Ibn El Hakim ("the master's file") [sic], a long study entitled "Reflections on the Algerian National Personality." If anything could defuse the Kabyle issue, that study could do it. The author praises Algeria's Berber past and does not hesitate to write: "These were long-ago times, but it is our duty to revive their memory, especially by honoring in various ways the memory of our country's illustrious sons such as Massinissa, Jugurtha, Micipsa, Juba the First..."

Emphasizing the intermixing of peoples which took place in the centuries following the Arab invasions, he concludes: "While in terms of dialects there are Arabic-speaking and Berber-speaking people, we can say without any reservations that by their origin and cultural inheritance, Algerians are Arab-Berbers." He stresses, however, that for 13 centuries the country had only one written language: classical Arabic. "which, moreover, was often taught intensely in the Berber dialect regions than in the region of Arabic dialect for the sake of Islam." And he concludes from this: "The Arabic language is therefore the legitimate national language."

As such it constitutes a "cohesive factor" and "its popularization is indispensable for the strengthening of national unity."

But this conclusion does not, for all that, lead to the disappearance of the regional languages. "Neither the nation nor the state which is its expression

*Published by Maspero, Paris, 1976 (2nd Edition).

could with impunity require an artificial conformity which would tend either to deny or efface that which in the popular culture or one or several regions constitutes a heritage from the past. The diversity of traditions and tongues is part of the national identity."

Dr Taleb Ibrahimi calls for the creation in several universities of "centers of Berber studies" in order to "reconstitute clearly and objectively the threads of Algeria's past."

The minister, finally, who by resorting to a pseudonym wanted to show that his participation in the debate was not of an official character, reflects at length on the notion of Arabism. He defines Algeria as an "Arab-Muslim" country and asserts: "The existence of unique national features and the diversity of processes which have led to the building of different nations and sometimes of veritable nation-states do not give us any license to juxtapose the nations that exist today and that 'Arab nation' so often evoked. It is essential to see clearly that, on the one hand, that there are very concrete realities, and on the other, that aspirations and one idea endure, even though the psychological motivations and the cultural factors are real and powerful."

The "Arab Nation"

That article brought a response from Dr Otmane Saadi. In a study published in CHAAB, an Arabic language daily, this academic maintained that "the Berbers are of Arabic origin, ethnically and culturally."* He concluded that the "Algerian people" are an integral part of the "Arab nation" and cannot constitute a separate nation. The argument is not new. It had been all the rage in 1976, at the time when the National Charter was being discussed, and it ended with a compromise since that document stipulates that Algeria is "one nation and one people."

The debate on the "cultural question" has thus been more than strictly academic, and it has brought to light the existence of divergent currents even within the regime. Have the leaders of the Berber cultural movement chosen the best way to promote their point of view in opting not to participate in the debate? True, they have taken advantage of this special period of dialogue and openness to score several points: the creation of cultural "groupings" on the sidelines of all the official structures, the organization of "spontaneous" courses in the Berber language in the universities of Algiers and Bab Ezzouar.

But in the capital city at least these fragile "gains" were undone following the Student Day confrontations 19 May that pitted supporters of popular culture against Arab nationalist elements under the banner of Islam. There has been a great deal of speculation in Algiers on the origin of these incidents, and some do not discount the possibility of deliberate provocation. In any event, the security forces now tightly control access to the university and the activities of the "cultural groups" have been banned and leaders arrested.

*Editor's Note: This is also Col Qadhdhafi's theme.

The "cultural question" remains a subject of burning interest, and the decisions of the central committee are being anxiously awaited, especially at Tizi-Ouzou. The situation in Kabyle remains tense, as was shown by the serious incidents that took place at Bejaia on 19 May. The remarks made at the opening session by the head of state, the presence of Mostefa Lacheraf--known for his openness, modernity, and moderation--on the board set up to organize the deliberations of the session--leave room for hope that the spirit of conciliation will carry the day and that a consensus can be achieved on a cultural charter that would be acceptable to everyone.

9516

CSO: 4519/25

RAJAVI ADDRESSES 'ARAB BROTHERS' IN LETTER

GF091219 Kuwait AL-WATAN in Arabic 9 Sep 81 p 11

[Text of letter from Mas'ud Rajavi, leader of the Mojahedin-e Khalq organization, to "Arab Brothers," dated 3 September]

[Text] Arab brothers, peace and God's mercy be upon you. I talk to you once again today in view of the increase in torture and executions in Iran. I also address you as a representative of the Iranian national resistance council and as the leader of the Mojahedin-e Khalq organization in Iran so that you will stand by us in the difficult circumstances Iran is passing through. Iran is suffering from a very harsh dictatorship. In this critical, historic stage, we need your support for the causes of the democratic Islamic revolution in the face of the regime of Khomeyni and his representatives, who regard themselves as representatives of both God and Islam.

We say to you that everything they are saying and doing in Iran is shamefully false and criminal. The Iranian people no longer trust them. If they have committed shameful acts in the name of Islam there are those who represent true Islam and are paying a high price for it.

I want to say to you that it will be Khomeyni who will fall, while Islam will rise and shine despite all that is happening. Islam will rise as a progressive and democratic regime that will not be hostile to science and knowledge. It is very important for our Arab neighbors and friends to know the truth about what is happening in Iran and to benefit in every way from this experience.

I am confident that Khomeyni's reactionary era will end soon, sooner than you imagine. A new Islamic society will rise in the world, and the true picture of Islam will emerge.

[Signed] Mas'ud Rajavi, leader of the Iranian Mojahedin-e Khalq organization and representative of the Iranian National Resistance Council.

3 September 1981.

CSO: 4604/8

IRAN

DEMONSTRATORS ARRESTED IN TEHRAN

NC091552 Paris AFP in English 1544 GMT 9 Sep 81

[Text] Tehran, 9 Sep (AFP)--A newspaper here reported a demonstration by opponents to the Islamic regime for the first time today, while Ayatollah Ruhollah Khomeyni reaffirmed the close link between religion and politics in Iran.

The ISLAMIC REPUBLIC newspaper said some 20 young girls were arrested in the capital Monday night while preparing to demonstrate with Molotov cocktails.

The Ayatollah, meanwhile, was meeting with a delegation of imams from the eastern Khorasan Province.

But his office announced over Radio Tehran today that the 81-year-old spiritual leader "will see nobody for two weeks from Saturday, September 12."

The communique gave no reason, but observers here said the Ayatollah had on several previous occasions canceled all visits without explanation.

They noted that he has had many visitors and made several speeches since the fatal bombing on August 30 that killed the president and prime minister.

Today, he said prayer and adherence to the teachings of the ulemas, moslem theological teachers, was not enough to defend the cause of Islam.

"Intervention in political affairs is one of the most important problems for which the prophets came," he told the Khoransan imams.

The Ayatollah said the United States would leave Iran "alone" if it was assured that [words indistinct] as would no longer intervene in political affairs.

Reporting on the attempted demonstration, the ISLAMIC REPUBLIC newspaper quoted one of the girls as saying "this type of action occurred often" in the capital.

Meanwhile, 24 alleged government oppositionists were executed between Saturday and Monday in a northern province and west of the capital, two newspapers reported today.

The ISLAMIC REPUBLIC and the KEYHAN newspapers said the accused were members of the leftist Mojahedin and the Marxist Feddayin and Peykar groups. They were condemned for distributing tracts, street fighting, explosions and other "subversive" activities, the newspaper said.

Yesterday, the head of the Islamic Republican Party, Hojjat Ol-Eslam Seyed 'Ali Khamen'i, said 10 members of the party's Central Committee have been killed in terrorist attacks. All were replaced on the 30-member committee, he said.

CSO: 4600/186

CIRCUMSTANCES OF RAJA'I BOMBING EXAMINED

Paris LE POINT in French 7 Sep 81 pp 53-55

[Article by Eugene Mannoni: "Iran--The War of the Mullahs"]

[Text] An unexpected explanation for the terror in Iran: only the high-ranking Khomeynists could have assassinated the president of the republic and his prime minister. The ayatollah's faithful followers are eliminating each other in turn.

Sorrow is certainly besetting the Iranian Shiites.

They have already been bewailing the murder at a certain date in 680 of Hussein, son of Ali, son-in-law and cousin--himself assassinated--of Mohammad. But since the penchant for martyrdom is inextinguishable among them, they have now without letup for the past 2 months been shedding their tears again. Last week they wept over the loss of their president of the republic Ali Raja'i and their prime minister Mohamed Javad Bahonar, both of whom died a violent death on 30 August.

Who, with one blow, would have wanted to decapitate the theocratic and bicephalous regime (head of state and chief of government) of the Ayatollah Khomeyni?

"The Mojahedin of the people" everybody exclaimed both in Tehran and in the West. In Tehran, they were blamed directly and they were deliberately charged so that these opponents could be better decimated; their leader, Massoud Radjavi, sought and found asylum in France with Raja'i's successor, the talkative Bani Sadr. In the West, out of ignorance, because their strength is being overestimated--although that strength is by no means negligible--they were credited with an attack that deprived Khomeyni of his two most famous representatives.

But things are much much less simple. We trust an expert on Iranian affairs who reached Paris after having spent the past 6 months in Tehran. What he knows should certainly be surprising to us.

The Khomeynists Raja'i and Bahonar were victims of other Khomeynists who were seeking revenge for 74 of their own people who were killed on 28 June upon the instigation of the president of the republic, the prime minister, and their friends.

It is in the name of Khomeyni--and unbeknownst to him--that the men who claim to follow him keep killing each other off.

The theocracy is certainly being challenged and attacked from the outside--on the left and on the right. But it is above all among its followers that there is now taking place a struggle without mercy--with explosions responding to explosions and assassination attempts responding to assassination attempts. Terror certainly strikes the dissidents. But, without parodying the night-time trials, without advertising itself as such, it rages also inside the apparently united group of the ayatollahs, the hajatoleslams, and the mullahs, mercilessly settling accounts among them which the Westerners, prisoners of opinions ill-suited for Shiite Iran in the midst of a revolution, are having quite a bit of trouble understanding.

Everything seems less surprising when one observes the manner in which the assassination on 30 August was carried out. On that day (it was another Sunday) in the buildings assigned to the prime minister, a meeting of the higher defense council was being held. In addition to the head of state and the chief of government, about 15 high officials were in attendance, turbaned or not; they had gathered in a room no larger than 50 or 60 meters square. The place was well guarded. The streets all around were under the careful surveillance of the Guardians of the Revolution and members of the revolutionary committees who were flanking the soldiers. Only reliable militants or expected personalities thus were able to get into the building and even more so into the office where the defense council was to deliberate. Now, at this point, an explosive device, precisely timed, sent the state's first and second personalities to the place which the Shiites believe to be paradise. Not counting (we have good reason to assume, although their deaths have not yet been announced) the deputy chief of the Revolutionary guards, the personal delegate of the ayatollah to that meeting, and the representative of the general staff, Colonel Fallahi.

If the perpetrator of the attack was able to get into the inner sanctum, it was because his job called for him to be there. Just as a senior officer got into Hitler's headquarters; in this way, Colonel von Stauffenberg was able to deposit the bomb which on 20 July 1944 failed to kill the Nazi dictator.

The effectiveness of the explosion of 30 August was in response to the colossal deflagration which, on 28 June, without going into any further detail, had wiped out the Ayatollah Beheshti, leader of the Islamic Republican Party (the party of Khomeyni), plus four ministers, six deputy ministers, 27 deputies, and a whole lot of pious hierarchs.

Having lived under the imperial regime in Hamburg, the Ayatollah Beheshti belonged to that category of Shiite dignitaries who, having rubbed up against the West--and furthermore holding it in unlimited contempt--were aware of its existence. But they could not without risk ignore it. Nor could they ignore Marxist doctrine, no matter how hateful it may have seemed to them. The Americans--without entertaining any illusions on this subject--consider them to be possible conversation partners: one of the less bad conversation partners.

Now, this category which is relatively open toward the outside world in terms of tactics is opposed, still under the aegis of Khomeyni, by the compact bloc of

clerics and laymen, their faithful followers who, impermeable to the Western or communist universe, only want to read the Koran, the only source of individual or social morality behind laws and politics as far as they are concerned. Sure of their righteousness, they hurl their theocratic challenge at the world like the French revolutionaries of 1792 flung their decapitated enemies "at the heads of kings." Ali Raja'i and Mohamed Javad Bahonar were members of that group.

There is one detail that bothered foreign observers in Tehran.

On 28 June, several moments before the explosion, the Ayatollah Rafsanjani, president of the assembly and friend of Ali Raja'i who attended the meeting, had without plausible reason left the meeting room. This departure quickly looked suspicious to the faithful followers of Beheshti who thereafter were sure that Ali Raja'i (at the time prime minister) and Rafsanjani were both instigators of this massive liquidation.

A thousand ayatollahs (a title meaning both "verse of God" or "sign of God"), 1,200 hajatoleslams ("opinion of Islam") and at least as many mullahs ("teachers") as Iran has mosques, in other words, 200,000--that is a hierarchy which is, as we can see, powerful enough to hold power or to delegate it from the lowest to the highest echelons. It is it and it alone which holds power and glory.

But, at the same time, these members of the high and low clergy, these political-religious officials are a little bit too numerous not to be involved in dissensions, divisions, and oppositions.

The Shiite hierarchy cannot be compared to the Catholic hierarchy. It has no organizational structures. Here we have a multiplicity of religious works, a wealth of varied exegeses of the Koran and the sacred texts which entitle almost all university graduates to the designation of ayatollah or hajatoleslam. With the exception of Khomeyni, of course, every ayatollah is just like the next. He is free to recognize or to deny the spiritual authority--and now the temporal authority--of his brothers in Islam. Now, we know that specialists, jealous of their prerogatives, full of their knowledge, do not always love each other.

In short, heresy easily flares up among rivals who hold on to their privileges, that is, officials of all ranks who have gathered in groups whose revolutionary effervescence exacerbates the antagonisms to the extreme. "Some more rififi among the ayatollahs," one might say in parodying Auguste Lebreton.

Through their hit-men they grant each other no quarter. Like the Bolsheviks between 1930 and 1938, they liquidate each other in turn. Ever since Ali Raja'i was elected president of the republic on 24 July --after holding office for only two months--the religious or lay organizers of the Islamic Republic Party day after day have been falling under the blows of devout assassins. The following were murdered: the Hajatoleslam Beheshti (a relative of the ayatollah), the Tehran deputy Hadsan Ayat, the preacher of Kermanshah, two other influential members of the clergy in the province. Let us stop this listing now which is entirely too long anyway.

Groups outside the big enclave of the clergy undoubtedly may have committed some of these attacks on repeated occasions. But we will note that--although the highly

selective exterminations of 28 June and 30 August are in line with the "suicidal policy" of the Khomeynists--the Mojahedin of the People maintain that they did not take any part in that. One can believe them. If they had been able to infiltrate so close to the highest instances, they would already be in power. But their leader, Massoud Radjavi, had to go into exile in France--just like Bani Sadr. Both "a traitor to the ayatollah" and "a former supporter of Khomeyni" who, by the same token, repulse the partisans and adversaries of theocracy. Like Gen Gholam Ali Osseivi and Gen Barham Aryana (in the imperial court) who last month, before reaching the border of Iran and Turkey, organized the diversion of the picket boat "Tabarzin." Like the subtle and distinguished Shahpur Bakhtiar. Like some 50,000 Iranians, including 10,000 students, the former royalists and the latter more or less pro-Marxist dissidents. Going into exile at this point in time is not a sign of strength.

The Khomeynists now have the field to themselves, if only to kill each other off. They settle their quarrels among each other. Terror is essentially internal although it certainly without pity strikes the "accomplices" of the enemies outside. The revolution of Allah is devouring itself--under the watchful eyes of the officers. Can they do anything? Purges and exile have disorganized their caste. Their monarchist past has made them suspects which have not yet been rehabilitated as a result of the stagnant war against Iraq. Diplomats think that what remains of the army is not yet ready to go into action.

In silence, in other words, rather skillfully, the Soviets are also watching. They have a long practical history in Iran which they know almost as well as Afghanistan. Did they not in 1925 and then in 1941 occupy the Iranian part of Azerbaidjan, the twin brother of Soviet Azerbaidjan? It is there, in the Caucasus of the Georgian Joseph Stalin, that the communist party became strong, that the Tudeh party which is linked to the USSR and which, making as if it is forgetting Marx in order to respect Mohammad, is espousing the cause of the ayatollahs in the hope--not entirely illusory--of some day using it for its own benefit to put an end to anarchy. With the help, if necessary, of the four divisions which Moscow keeps concentrated a bare 250 kilometers from Tehran.

The Iran revolution still contains quite a few vicissitudes. This is an upheaval in depth. Its process may be longer than one thinks. Spiritual detachment from the troubles below? Splendid senility? Ready to detect Satan, Khomeyni proclaims before the corpses of his dead companions that "that which comes from God goes back to God." And the crowds still listen to him in a trance.

Who, in the divided ranks of his faithful followers, could challenge him directly? This would be more than a crime--it would be a sacrilege. One does not joke with the ayatollah--because that is where we are now--who handles the "interim business" of the 12th Imam, descendant of Muhammad, of Ali, and of Hussein, who "went into hiding" one day and whose reappearance the Shiites are expecting.

Opponents Everywhere

"Father, watch out on the right; father, watch out on the left." This recommendation given by Philipp the Bold to John the Good during the 14th century, applies to

Khomeyni in our time. As a matter of fact, the ayatollah's adversaries are not only countless but they are found everywhere.

On the left, first of all, we have the Mojahedin of the People, the fighters of the holy war. They accuse Khomeyni of having betrayed the revolution of 1979. Pro-Islam Marxists, estimated at more than 10,000, they are organized in three groups: the executors, the partisans, and the sympathizers. Skillful and fearless, they have infiltrated the Pasdaran (the Revolutionary Guards), the army, the government, and the clergy. Close to 700 among them were executed by the faithful followers of the ayatollah. Their leader, Massoud Radjavi, followed president Bani Sadr to France.

Still on the left we also have the Fedayin of the People, the "sacrificed," who are Marxists-Leninists. Responsible for taking hostages at the Embassy of Iran in Stockholm, they strongly assist the Kurdish insurgents. Their experience in urban guerrilla warfare goes back to the regime of the shah.

On the right, the ayatollah's chief opponents are the monarchists. They are numerous but they are divided. They are primarily the last square of faithful followers of the shah. They have established themselves in Egypt and maintain the shabanu and crown prince Cyrus Reza, they run Radio Fatherland, and they want to regain the throne of the Pahlavi family.

The Azadegan movement--"the Iranian liberation troops"--number about 15,000 military personnel from the former imperial army; they have organized themselves around the patrol boat "Tabarzin." They are under the direction of Gen Barham Aryana.

In Paris, Princess Azadeh Shafik (daughter of the energetic Princess Ashraf, the shah's twin sister) runs the Free Iran Movement which puts out bulletins and which preaches a "constitutional monarchy."

The Patriotic Organization was founded by Shapur Bakhtiar, the last imperial prime minister, and by Iranian students.

Finally, the former prime minister Ali Amini and Admiral Madani are trying to create a "centrist" tendency.

That leaves us finally with the Tudeh, the Iranian, pro-Soviet communist party. For the time being and for tactical reasons given by its own leaders, it supports Khomeyni. But its following keeps growing. Many people believe that the Tudeh is waiting for its time to come. Close to power, it watches and waits.

5058

CSO:4619/38

SETTLEMENT FUNDS PROVIDED FOR WAR REFUGEES

Tehran ETTELA'AT in Persian 20 Aug 81 p 4

[Text] Khorramabad--Engineer 'Abedini, Supervisor of the War Refugee Affairs Foundation of Lorestan Province in a speech explained the accomplished activities of this foundation and said, "With the appropriate fund equivalent to 411,749,000 rials over 150,000 war refugee sisters and brothers have benefited from the welfare and educational services of the War Refugee Affairs Foundation of Lorestan Province." He added, "at the present time around 5800 persons are settled in refugee camps of 'Oman, 4500 in the refugee camp of Salman in Borujerd and 5500 of our war refugee sisters and brothers are in the refugee camp of Abazar and have benefitted from health, medical treatment, and the free food programs of the War Refugee Affairs Foundation of Lorestan." The Foundation pays cash rations to the poor, those without guardians the disabled, and those whom the Foundation has not been able to find jobs for.

Free Booklet

He added that around 100,000 war refugee sisters and brothers in the cities and districts of Khorramabad, Borujerd, 'Aligudarz have been under the supervision of the districts and town committees. Families with monthly incomes of less than 25,000 rials receive a free booklet from the Foundation, and are in two groups. The first group consists of families without income. Rent, food rations, and their other living expenses are all provided by the Foundation. The second group, with incomes of less than 25,000 rials, who are able to pay their rent, receive only food and living expenses. For those with an income of more than 25,000 rials full price booklets are issued and they may shop in the city and village stores. If they are in need of medical treatment or city services their needs are granted by the Foundation.

Employment Problem

Engineer 'Abedini said, "the main problem of the war refugees all over Iran is the employment problem, and for the same reason in the Lorestan Province a council under his supervision with the participation of the University Crusade has been formed. Problems pertaining to statistics, planning, employment, production and economics are the main aspects of the Council. It has tried to create work in the refugee camps in order to change the immobility and idleness,

which create corruption, to an active atmosphere. For the same reason, the Employment Committee of the Foundation in 'Oman has succeeded in creating jobs for 90 percent of those who are able to work. Also, the Foundation has been able to start the following development activities in the brothers' section:

Constructing a four-kilometer road by recruiting 150 war refugee brothers. Building of three bathhouses in Dow Rud. These bathhouses are built in the old style in order to minimize the use of iron girders and cement, the shortages of which are visible in the market. Two of these bathhouses have been built.

Introduction of 50 war refugee brothers to the municipality of Dow Rud for working in city sewerage project. Their salaries are paid by the Foundation.

Erection of ten schools in Borujerd. Three-hundred war refugees were hired for this purpose.

Establishment of telephone lines in Ashtarinan and study of waterway canals for thousands of hectares of irrigated farms in Ezna. The Foundation has been able to hire 80 war refugees in Maysam Malari also.

In Ahazar Ezna camp with the help of war-refugee brothers, under the supervision of the Foundation, 2000 units of residential houses are being built and at present 570 of these units are ready for occupancy.

The Supervisor of Lorestan Martyr Foundation added, "the most important part of the recruitment project from an activity point of view is the women's section."

The purpose of the formation of this section is employment and production. The main activities of these sections are as follows:

1. The establishment of a laundry plant. All donated clothes are washed, pressed, and packaged in this laundry plant and are delivered for the use of war refugee brothers and sisters. This plant has 20 employees.
2. Sewing workshop activities which consist of two parts, training and production.
 - a. Training. Twenty trainees participate in a two-month sewing course under the supervision of two teachers. After the completion of the course these trainees start to work as dressmakers. The best trainees receive a sewing machine as an award.
 - b. Production. In this section sewing machines and material are given to the housewives by the Foundation. Their products

are purchased with a fixed price set by the Foundation and are sold cheaper in the coop shops to the war refugees. So far, two hundred persons are working on the production branch and their weekly income is around 700,000 rials.

Weaving loans are also given to the war refugees and their products such as gloves, hats, scarves and wool stockings are purchased and are used in the cold season by the soldier brothers and revolutionary guards. So far around forty persons have requested weaving loans in Khorramabad and received the loans. The above programs have been carried out in all the cities and refugee camps in Lorestan.

Finally he pointed out the training activities of the Foundation, and said, "In the refugee camps some schools have been established under the supervision of the Ministry of Education and the teachers' salaries are paid by the Foundation. In the cities and provinces the war refugee students are studying in the city and rural schools."

9815

CSO: 4640/89

NEW FOREIGN EXCHANGE RULES ADOPTED FOR STUDENTS ABROAD

Tehran KEYHAN in Persian 4 Aug 81 p 4

[Article: "Those Who Have Double Citizenship or Permanent Residence Permits Are Not Entitled to Receiving Foreign Exchange"]

[Text] New rules have been announced to govern the remittance of foreign exchange to Iranian students abroad. The announcement was contained in a circular released by Dr 'Arefi, the Minister of Culture and Higher Education. According to the circular which was put at the disposal of KEYHAN by the Educational Evaluation Organization, all the student attendance certifications issued in the host countries would have to be certified by the consular missions of the Islamic Republic in the countries concerned. Also, receipt of foreign exchange would be authorized on the basis of a student foreign exchange file to be opened (for each student) in accordance with the relevant forms filled out and sent to the Student Affairs Organization.

According to the circular, those who cannot be the beneficiaries of student foreign exchange are as follows:

1. Those who are enrolled in the first or second year of unnecessary graduate courses or in the first year of other unnecessary degree earning courses in the academic year 1360-61 (1981-82).
2. Those who have the following types of citizenship or residence:
 - a. Double citizenship of Iran and of a second country;
 - b. Immigrants to other countries; and,
 - c. Holders of permanent residence cards or permits.
3. Those who have been found out by the missions of the Islamic Republic of Iran in the relevant host countries or by the Student Affairs Organization to have committed forgery or cheated in the documents they have submitted regarding their student status;
4. Those to whom foreign exchange has been remitted through more than one bank branch at a given time.

5. The undergraduate or graduate students whose parents are permanent residents of a foreign country.
 6. The undergraduate and graduate students whose parents hold double citizenship and are residing abroad.
 7. The students who are not followers of any of the official religions of Iran.
 8. Those who have left the country after 9 Ordibehesht 1359 (29 April 1980) through channels other than the Ministry of Culture and Higher Education.
 9. Those who do not hold a valid passport nor a valid student visa for the country where they study.
 10. Those who are enrolled in non-accredited educational institutions. (The creditability of the institutions are determined by the Ministry of Culture and Higher Education).
 11. Those who study on part-time basis, or audit, or take correspondence and adult education courses.
 12. Those whose studies do not lead to the attainment of an academic degree.
 13. Those who have enrolled, after 9 Ordibehesht 1359 (29 April 1980) in courses that are equivalent to or lower than the degree level of their previous education.
 14. Those who are enrolled in dancing or music courses, at any level.
 15. Those who have scholarships granted by Iranian organizations or by foreign governments or organizations.
 16. Those who study in Eastern Bloc countries against the rules set by the government of the Islamic Republic of Iran.
 17. Those who study in primary or secondary schools.
 18. Those who begin their graduate or matriculation studies beginnings with the first summer term of 1981.
 19. Those who begin to study in the Associate or Arts degree of OND [Ordinary National Diploma], ONC [Ordinary National Certificate], TEC [Technical Education Certificate], HND [Higher National Diploma, or similar or equivalent courses in the academic year 1360-61 (1981-82)]. Those who have been enrolled in those courses prior to the above-mentioned date can receive student foreign exchange till the completion of their courses. Such students may continue their studies in the said courses so long as they satisfy the other conditions contained in the circular.
- Meanwhile, those who are already enrolled in Associate Degree (A.D.) courses which can be followed up by Bachelor of Arts courses may continue to draw student foreign exchange till the end of their current courses.

20. Those who left the country after finishing high-school and have been enrolled in language and matriculation courses longer than the following lengths of time (as from the date of their departure from Iran):

a. More than 2+1/2 years in language and matriculation courses for admission into universities requiring the completion of such courses by the candidates.

b. More than one year in language courses for enrolling in universities not requiring the completion of matriculation courses (such as American universities).

21. Those who do not observe any of the following conditions:

a. Completing at least 12 credits in each term or the equivalent of that in non-credit systems (30 term credits or 45 quarter credits each year).

b. Exceeding the approved duration of their study. The maximum permissible period of study in a B.A. course in universities requiring matriculation courses is six years inclusive of the period of the latter course plus that for learning the language, or five years in the case of other universities, including the period of language study. (In the case of France, the B.A. course is considered in terms of "maitrise" which is a maximum of 5-1/2 years).

c. In the final term of the B.A. course, the student can be exempted from the limitation of duration of study in case there are more credits to be earned for completing that term.

d. The students in post-graduate (above Masters degree) courses must be recognized as full-time students by the educational institutions concerned. The maximum period of the courses for M.A. students is two years and for doctoral courses after M.A. courses four years. At any rate, the maximum period of study in courses such as Ph.D., or "Etat" courses after B.A. study, is six years.

e. In the countries where enrolling in universities after earning a high school diploma in Iran would lead straight to the attainment of a Masters Degree, the duration permitted for study in the universities requiring pre-university study is eight years, inclusive of the period of the language and of the pre-university courses, or seven years in the case of other universities.

22. Those studying for a Bachelor Degree whose grade point average is lower than 1.75 under the 1 to 4 point-grading system (such as in the United States) or the equivalent of that in other systems.

23. Those studying for a Bachelor Degree whose grade point average is higher than 1.75 under the 1 to 4 point-grading system (such as in the United States) and their grade point average has fallen short of 2.5 or its equivalent under other rating systems in two successive terms.

24. Those whose annual grade point average in the Masters Degree after the spring term in 1981 was lower than 2.5 in the 1 to 4 point-grading system or the equivalent thereof in other rating scales.

25. Those studying at the post-graduate level whose grade point average for two successive terms has fallen below the 3 mark in the 1 to 4 point-grading system (as in the United States) or the equivalent thereof under other systems.
26. Those who are studying in specializing or post-doctoral courses. (They can receive only the balance of the foreign exchange allowance after the cash or non-cash grants by the relevant educational institutes have been deducted).
27. Those whose age exceeds 37 years at any point during their study (with the maximum age being 37 years in the last year of study). The following cases are accepted:
- a. Where the student will graduate by the end of the academic year 1359-60 (1980-81).
 - b. Where the students are now in the second year of study or higher in the doctoral courses (at the post-graduate level).
 - c. Where the student is studying in a post-doctoral course.
28. Those who are studying in India or Pakistan without regard to quota nor to course permissibility.
29. All the previous circulars which have been issued by this Ministry to govern the foreign exchange matters and other benefits pertaining to students abroad are countermanded as of the date of the serving of this circular.
30. Transfer to the required courses or to another accredited educational center is permissible in conformance with the other rules set down in this circular. (Transfer from one country to another is to be effected with the approval of the Ministry of Culture and Higher Education).

9695

CSO: 4640/74

NEW WAGE REGULATIONS ANNOUNCED FOR WORKERS

Tehran KEYHAN in Persian 4 Aug 81 p 14

[Interview with Deputy Minister of Labor for Supervision of Labor Relations Hasan Mo'tamed Reza'i]

[Text] In an interview with the press, radio and television, Deputy Minister of Labor and Social Affairs, Hasan Mo'tamed Reza'i, gave the reporters the full text of the plan for payment of bonus to workers based on increased productivity.

According to the new plan, workers of all the productive and industrial plants covered by the Labor Law are entitled to the benefits of the plan while enjoying the advantages of the Workers Secured Interests Law. Mo'tamed Reza'i noted that with the abolition of the profit-sharing law and its being superseded with the Workers Secured Interests Law, owners of the plants which were subject to the previous law were obligated to pay each worker a maximum of 85,000 rials per year to compensate for the loss of his income from his share under the said law and also as New Year gratuity and annual bonus. The sum was expected to be equal to 60 days pay on the basis of the workers' wage payable on a pro rata basis for 12 months work a year.

It was expected, he said, that with the new plan, certain regulations would be laid down aimed at stepping up the production level in various workshops, and for determining the amount of productivity bonus for the workers of such workshops. However, the rapid developments resulting from the Islamic Revolution prevented this. But toward the latter part of the year 1359 [21 Mar 80-20 Mar 81], a note was added to the said bill which required that only for that year a maximum bonus of 20 days fixed wages be paid to the workers for and in proportion to the increased productivity in their plants. The regulations under the said note applied only to the year 1359 [21 Mar 80-20 Mar 81] whereas increased productivity is a permanent phenomena. Therefore, along with the signing of collective agreements in accordance with Article 35 of the Labor Law, procedures were devised which would supersede the procedures under the additional note ratified by the Islamic Consultative Assembly solely for the year 1359 [21 Mar 80-20 Mar 81] and would, at the same time, assure the profit share of the workers in connection with higher productivity. This provision was designed to meet the need of the revolutionary society and of the work atmosphere and to encourage the workers affected by the Labor Law to raise productivity along with higher quality.

Deputy Minister of Labor and Social Affairs, Hasan Mo'tamed Reza'i, described the plan for payment of bonus to workers on the basis of increased productivity as follows:

The Rules of the Plan for Increased Productivity

1. Bonus for increased productivity will be paid on the basis of the production standards of different plants.
2. Production standards of various plants which will form the basis for bonus payments are determined by taking into consideration of and on the basis of (a) uniformity of production, (b) average annual production per capita of the previous years, (c) time measurement, and (d) normal and practical methods of operation followed in each plant. Of these methods the one which produces the highest production figures will be taken as the basis for figuring and determining production standard.

Note: The highest figure of production standard of a plant is the figure on the basis of which production increase goes above that of 30 percent.

3. The basis for calculating the amount of bonus for increase production will be one percent of the workers' wages in line of the percentage of the increased production. The method for distribution of the bonus among plant workers will be determined in direction to be issued by the Ministry of Labor and Social Affairs.

Note 1. The basis for calculation of the above-mentioned bonus in plants where the average monthly wages of workers is more than 35,000 rials is 3/4th of one percent of the workers' fixed wages.

Note 2. In plants where present production level is below the standard level, the basis for calculating bonus payment until the standard is reached is 2/10th of the fixed wages of the workers for every one percent of increase in production. The lowest acceptable level of production for calculating the above amount will be 65 percent of the standard production of the plant.

Note 3. Methods for calculating the negative effects of increased waste and losses resulting from production increase above the level permitted in every plant should be mentioned in agreements regarding payment of bonus for increased productivity.

4. Workers in charge of material and production quality control are not entitled to bonus paid for increased productivity but management is authorized to pay these workers, depending on their efforts in upgrading production quality, up to 30 percent of their fixed monthly wages.

5. Intermittence period for calculation of the amount of bonus for increased production in the plant will be monthly but it could also be quarterly subject to the approval of the two parties (labor and management). The intermittence period during the time the work contract is in force is unchangeable and if at the end of the intermittence period there was no increase in production level, no matter why, there would be no bonus payment whatsoever.

6. The contract under which increased production bonus is paid should not be for less than one year and the approved contracts become effective as of the first day of the same year (in which they are approved).

7. Units that already have contracts concerning productivity, bonus for increased production, percentage payment for efficiency must continue implementing them without any changes that could result in increased production cost or renew their contracts in accordance to the new plan.

8. In cases where major changes occur in the plant such as in investment, labor force, installation of additional equipment, etc., that could effect the basis of production standard in connection with the increased production, the basis should be changed effective as of the date the changes have taken place.

9. The taking into consideration of the special cases of each plant in the contracts for payment of bonus for increased production is permissible provided it does not violate these regulations (the new plan for payment of bonus to workers).

10. Contracts about payment of bonus to workers for production increase are valid and applicable after they are approved by the two parties and receive the written approval of the Ministry of Labor and Social Affairs.

Note: Units that are under the government supervision or are associated with the government and revolutionary institutions must receive the approval of their related organizations before presenting their contracts on payment of bonus to the Ministry of Labor and Social Affairs.

11. To ensure the smooth implementation of the terms of the contracts regarding payment of bonus to workers committees should be set up by every workshop. These should be composed of two representatives of the Islamic Councils of workers, two representatives from management and one of the supervisors elected by other supervisors in the workshop. The committee will act as observer and will be responsible for settling differences arising from the contract through compromise.

Note: In the absence of a legal Islamic Council in the workshop two people representing workers will join the committee.

On the basis of the increase in production, bonus to workers will be paid in accordance to the following formula:

The total amount of bonus for increased production of the plant will be based on calculations referred to in Article Three and related notes intermittently. The said amount will be distributed among workers on the basis of acquired points gained by each worker.

The method for figuring acquired points of each worker is as follows:

A. Acquired points collected by each individual worker are the total points resulting from five factors.

1. Maximum of 30 points for attendance. This is collected by those workers who were not late or absent from work in any given month. For every hour of justifiable absence or lateness and absence due to work-related incidents they will lose two points. The minimum point of this factor is zero.

Explanation: In workshops where the work alternation period is more than one month points will be calculated on the basis of the average points during the alternation period.

2. Maximum of 20 points for wages which is calculated on the basis of at least 10 points for wages in addition to one point for every 100 rials of increase.

3. Maximum of 20 points for the workers' length of service which is calculated by adding 2 points for every year of service in the plant.

Explanation: Only newly-employed workers who had been working more than 3 months but less than one year receive 2 points each.

4. Maximum of 10 points for supervision and management. This is gained by workers and other personnel who supervise the work of another person or a group.

Procedure for giving the points is as follows:

One point for every two unskilled and non-technical workers. One point for every semi-skilled and semi-technical worker. Technical and skilled workers receive 2 points each.

5. Maximum of 20 points for efficiency and discipline. This is determined by the workers' direct supervisors by taking into consideration the workers' ability and competence in maintaining tools and equipment as well as their regards for hygienic and safety factors. The decision made in this regard is subject to approval of the supervisory committee.

B. Merit points of workers are calculated according to the following formula:

Merit points are equal to the number of days worked during the alternation period multiplied by the acquired points of a worker divided by the number of working days of the workshop during alternation period.

Secondly, the total amount of bonus for increased production will be divided among the plant's workers in accordance to the following formulas:

The rial value of each point is equal to the total amount of increased production bonus divided by the total merit points of the entire labor force of the workshop.

Production increase bonus of every worker is equal to the rial value of every point multiplied by the merit points of each worker.

9695

CSO: 4640/74

IMPORTS FROM FINLAND RISE TO RECORD LEVELS

Helsinki HUFVUDSTADSBLADET in Swedish 27 Aug 81 p 12

[Report on interview with Gustaf Franck, Finnish trade commissioner in Tehran, by B., in Helsinki; date not specified]

[Text] Iran: revolution, war, street riots, and a bloody wave of executions. The normal operation of a trade office there must be completely paralyzed, right?

Not at all. The figures on Finnish exports to Iran broke all records in 1980, and the first half of 1981 showed even better results than the corresponding period last year. Traditional and nontraditional exports are both doing well, says trade commissioner Gustaf Franck. But construction projects are at a standstill, of course.

So it is "business as usual," even in the chaos that Iran, from our point of view, is going through.

Gustaf Franck does not talk about chaos, however. He refrains from discussing the political situation at all. He is in Tehran to look after Finland's commercial interests, and they seem to be worth looking after: our exports during the first half of this year totaled 265 million markkaa.

"A market of 36 million people is truly something one should concentrate on--it is more than what we are now making a bid for in, for example, a country like Saudi Arabia with only 5.5 million people, or Iraq, which has only half as many inhabitants as Iran."

The construction projects and consulting activity are at a standstill during the war, but pure trade is proceeding unhindered.

"There are, of course, the traditional goods: paper and board. And in the field of processed goods, a lot of paper sacks. But now there are also petrochemical products and electrical equipment. Iran is going in for hydroelectric plants in a big way, and it is interested in any equipment concerned with power transmission. Stromberg has gotten big orders for transformers, and Nokia's chances are also good."

Strained Economy

The Iranian economy must be very strained, so how are the payments coming in for the things we sell?

"When it comes to the old construction projects, there may be some uncertainty about who owes whom. But payments in connection with the new orders have been coming in very well. All the same, I have now had to recommend that our sellers require confirmed letters of credit, and this has not been very well received by Iranian buyers who have been good customers for 30 or 40 years."

Exports to Iran totaled 465 million markkaa last year, and the figure for the first half of this year--265 million markkaa--would seem to indicate further growth, but Franck feels that the results for the second half of this year will be somewhat slimmer.

"That war is costing a lot. Iran is having to import an abnormally large amount of equipment--and through a third country--at high prices. And the level of unemployment is also a burden to the economy. There is also a shortage of people in top positions who are used to thinking along economic lines, so obviously some mistakes are made."

Quite Calm

How noticeable is the war itself in Tehran?

"At first it was noticeable. There was a total blackout and, of course, a number of quite effective bombing raids. But now people don't bother a bit about the blackout. On the anniversary of the revolution, for example, everything was lit up. There are alerts now and then, but one has the feeling that they are sometimes used to help quell a demonstration or to save electricity.

"The telephone has worked remarkably well, at least internally. At first there were power failures, but they are less frequent now; that may be because so many plants using electricity are idle, but also because electricity production has increased. Communications have always been a little difficult. They have now introduced zones where unauthorized auto traffic is banned before noon. The gasoline ration for ordinary Iranians, which was 30 liters per month at the start of the war, has now been increased to 60 liters."

Franck mentioned that the general aspect of the downtown area has naturally changed now that perhaps 100,000 Westerners have moved away. The restaurants close early, and music and dancing are banned. Some movie houses are operating, showing mostly films of violence. There is really no public entertainment.

Cover Your Blond Hair!

Are Westerners in general in danger from people on the street--are they regarded as American or French?

"Ordinary people on the street probably could not easily distinguish between Americans and other fair-skinned types. I myself have not noticed any animosity--but with my dark coloring, it is possible that I blend into the crowd more easily."

Gustaf Franck's wife Iris was actually attacked as she stood in front of a shopwindow in downtown Tehran. A man tried to set fire to her hair and burn her eyes with a cigarette. But that may very well have been just an instance of the hooliganism that

can happen anywhere. In any case, she has become more careful about where she goes without an escort--and she doesn't let her hair be seen.

'Where we live, in the city's upper, northern section--very near Khomeyni's residence, incidentally--it is quite calm. But the very fact that we live near the leader means that we are sometimes checked when we come home at night.'

Meaningful Job

Franck's circle of friends includes mostly other Scandinavians and Europeans. Contact with local officials is difficult, because they avoid foreigners as a precaution. But individual Iranian businessmen willingly accept invitations to dinner at home, since there is a mutual need for information.

How about other information?

"Two English-language newspapers are published, and of course they represent the regime's views very rigidly. But we regularly listen to the BBC on shortwave and also to the Finnish news, which is broadcast from the transmitter in Bjorneborg at 1930 hours Tehran time."

Gustaf Franck, who at the moment is vacationing in Helsinki with his wife, will have been stationed in Tehran 6 years this fall.

Isn't that beginning to seem like enough?

"I don't know--this has certainly been the most meaningful job I have ever had!"

11798

CSO: 3109/240

IRAN

BRIEFS

BAKHTIAR-ARYANA ALLIANCE SUPPORT--Many Iranians residing in Canada, Germany and Britain have expressed their support for the unity and solidarity between the national resistance movement of Iran and the Azadegan organization. In statements issued on this occasion in Hamburg, London and Ottawa, our refugee compatriots have praised solidarity between combatant national groups as a great step toward the liberation of Iran. The Iranians living in Germany, Canada and Britain have also expressed their support for the students who are on a hunger strike in the Amnesty International building in Paris, and in their statements they have called on international organizations to end its silence on the numerous executions in Iran. [Text] [NC281556 (Clandestine) Radio Iran in Persian to Iran 1330 GMT 28 Aug 81]

ATTACK ON KHOMEYNI'S RESIDENCE--Quoting ETTELA'AT newspaper, world news agencies report that some time ago combatants, opposing the mullahs' usurping regime, attacked Ruhollah Khomeyni's residence in Jamaran. Following this incident the regime has ordered the area around Jamaran base to be surrounded with anti-air tanks. [as heard] We wish to recall that the Voice of Iran newscast reported some days ago that Khomeyni is taken to the Niavaran village at night and returned to Jamaran in the morning escorted by revolution guards. [Text] [NC091355 (Clandestine) Voice of Iran in Persian 1805 GMT 8 Sep 81]

GUARDS' GARRISON ATTACKED--[Summary from poor reception] Our correspondent reports from Tehran that following the assassination of officials, explosions and the "pitiless attacks by combatants on the hirelings revolution guards corps" intensified measures for the security of the guards corps, the committees and similar organizations have been taken. After contacting an official of the revolution guards corps our correspondent says that (?fearing antiregime combatants) the revolution guards have surrounded their garrison in 'Eshratabad with heavy artillery, banning traffic and pedestrians within a radius of 500 meters." Our correspondent adds that recently the garrison was attacked by opponents of the regime. [NC091400 (Clandestine) Voice of Iran in Persian 1805 GMT 8 Sep 81]

TEHRAN DEMONSTRATIONS--Tehran, 9 Sep (AFP)--Several people were killed and some 40 people injured here today when armed security forces moved in to break up three demonstrations in central Tehran organized by the underground left-wing people's Mojahedin organization, hospital sources said. They said a "certain number of people" were killed but gave no details on the number or affiliation of the victims. Most of those injured, and revolutionary guards were among them, were hit on the square and avenue Vali-Asr, the capital's main artery, the sources said. Several witnesses said gunfire was exchanged for close to an hour on Vali-Asr Avenue after two demonstrations there were broken up. One of them said revolutionary guards shot at a car speeding by. [Text] [NC091821 Paris AFP in English 1815 GMT 9 Sep 81]

CALL FOR 'POPULAR COUNCILS'--Paris, 9 Sep (AFP)--Mas'ud Rajavi, leader of Iran's Mojahedin, the leftwing Islamic organization, called here for the setting up of "popular councils" in his country, so as to "rid it of the evil of reaction." Mr Rajavi, who accompanied Iranian President Abolhasan Bani-Sadr into exile here last July 29, made his appeal in a communique issued on the 17th anniversary of the foundation of the Mojahedin movement. "It is time," the communique said, "that the population of each (Iranian) town and each village, of each street and each avenue, liberate its neighborhood, without fear and with total trust in God in the people, alongside the national council of national resistance. The reaction of such a body was jointly proclaimed by Mr Bani-Sadr and Mr Rajavi upon their arrival. According to Mr Rajavi, more than 1,000 Mojahedin have so far been killed this year in Iran and close to 10,000 put in prison. The Mojahedin leader called on Iranians to "destroy the last vestiges of reaction so as to build a new, free and advanced society where liberation and abundance will reign in place of fear and terror." [Text] [NC092010 Paris AFP in English 1951 GMT 9 Sep 81]

CSO: 4600/186

PROFILE GIVEN OF ASHKENAZI CHIEF RABBI GOREN

Jerusalem THE JERUSALEM POST MAGAZINE in English 28 Aug 81 pp 10, 11

[Article by Asher Wallfish]

[Text]

ASHKENAZI Chief Rabbi Shlomo Goren's concern over the City of David dig on the southern slope below Temple Mount has been fuelled with an intensity of purpose, reminiscent of past issues which got the 64-year-old divine up in arms.

This time, however, there seems no doubt that an additional objective is motivating Goren: the wish to remain chief rabbi after his term expires.

Under the present Chief Rabbinate Council Law, that is absolutely impossible. This law, enacted in March 1980, enabled Goren and his Sephardi colleague, Chief Rabbi Ovadia Yosef, to continue serving until the next elections for the posts. These are to be held not later than Nissan I, 5743 (March 15, 1983). But the two incumbents will be ineligible for re-election.

Rabbis Goren and Yosef were first elected for five years in October 1972. But the Knesset voted three times — in 1977, 1978 and 1979 — to extend their terms for a further year, while the National Religious Party and its minister for religious affairs dithered and prevaricated, until finally the law was restructured in its present 1980 form, to the immense indignation of the two incumbents.

The legislative ban on their standing again reflected the vicious quarrels between the two chief rabbis which, for mutual animosity, probably had no precedent since the era of the Babylonian academies.

The nation's parliamentarians were well aware that Chief Rabbi Yosef was not really at fault; that he could not possibly have turned the other cheek to Goren all the time and that, other things being equal, he *would have* merited the chance to stand again. However, the parliamentarians realized that there was no way of allowing Ovadia Yosef to be a candidate while barring Goren, so willy-nilly they drafted a bill that would make the two men sink together.

Thus, having made Yosef's life a misery, Goren also became responsible for cutting his career short; for while the Ashkenazi chief rabbi would have had no chance of being re-elected, it was undoubtedly otherwise with his Sephardi opposite number.

Then, after the law was passed, a miracle occurred. A change came over the two men. Israel's most notorious pair of enemies were suddenly seen together in public. The two chief rabbis started cooperating in various projects. Goren began praising the dignity and learning of the man who had once complained: "I am swallowing nails because of Goren. I suffer his whips as well as his scorpions all the time."

Goren assumed that, since it was his feud with Yosef that had inspired the clause barring their further candidacies, he might have a chance of persuading the Knesset factions to amend the law if he and Yosef maintained an idyll of tranquil and friendly collaboration over a substantial period.

He undoubtedly also assumed this month that a firm stand against the secular trend over an issue like the City of David dig, would prove that he was a man of unswerving principle, and scotch once and for all Orthodox allegations that he is a pragmatist — allegations which have dogged him ever since the early '50s, when as chief chaplain of the IDF he issued a learned opinion concerning the use of electric current during festivals.

GOREN'S IS a fascinating and complex personality. Few would question his learning. Born in Zambrow, Poland, in 1917, he was brought to this country at the age of 10 as Shlomo Goronchik, his first home being in Kfar Hassidim near Haifa. He began his religious studies in Jerusalem in 1928, graduating from the Hebron Yeshiva which was moved to the capital following the 1929 massacre in Hebron.

Ultra-Orthodox circles inside the Agudat Yisrael and to its right — which Goren would like to placate today in the City of David controversy — have never forgiven him, as a graduate of one of this country's most conservative yeshivot, for hitching his wagon first to the star of Mapai-Labour, and then to the star of the National Religious Party.

Goren's physical courage is as widely esteemed as his learning. In 1936, when the Mufti's gangs launched their anti-Jewish riots, he became a supernumerary policeman in Jerusalem. During the War of Independence in 1948, he became a sniper in Jerusalem, then was switched to a heavy machinegun crew. He broke his leg jumping to earn his paratrooper's wings. He rode with the front-line troops who crashed into the Old City of Jerusalem in the Six Day War, and conducted the first prayers to be held at the Western Wall in 19 years.

Few would question the claim that Goren made it possible for observant soldiers to serve in the IDF without worrying about violating *Halacha*. He was totally dedicated to giving fallen soldiers proper burial, and his concern to license remarriage for the widows of

servicemen missing in action, such as the sailors of the submarine *Dakar*, have won him immense praise.

He put Israeli conversion procedures on a new and smoother footing, virtually eliminating conversion as a problem in this country. And he solved the so-called *manivim* problem.

THE ULTRA-ORTHODOX who query Goren as an *halachic* authority are a clearly-defined minority. But those who criticized him for his erratic ways, his political involvement, his public appearances, and his human relations, can be found in every part of the public spectrum.

Goren always had a penchant for showmanship, drama and exaggeration. In the '50s, when he was fashioning his image as Israel's number one soldier-rabbi, his fellow officers in the IDF affectionately nicknamed him the *Chizbanik* the Tall-story Teller. When there was a retaliatory raid against the Kalkilya police station in the period before the Sinai Campaign, Goren went forward with the troops and came back with four different versions of his role and his whereabouts, each more colourful than the last.

Early on, he began acting out a spiritual role which he planned to fulfil eventually for the entire nation, using the Chaplaincy Corps as a logical stepping-stone. In 1952, at the celebrations in Meron for Lag Ba'omer, a festival whose links with our military annals and prowess are slender, he led an IDF unit to the centre-stage of the event. Four young soldiers, their bayoneted rifles supporting a wedding canopy, were followed by a second armed unit, for a ceremony around the Israeli flag. Goren made an exhortatory speech and got tens of thousands of Lag Ba'Omer pilgrims to roar out *Shema Yisrael* in unison. A few years later, in 1958, he went to Meron in command of a whole motorized column, which transported a Tora scroll under a canopy supported by bayonets.

GOREN'S flamboyant style, which won the hearts of the simple masses, in the way that the showmanship of certain politicians has also proven

unbeatable more recently, was legitimized by his close ties with the late David Ben-Gurion, and with IDF personalities such as Moshe Dayan.

Ben-Gurion liked to talk to Goren about philosophy and the classics, subjects on which Goren had attended lectures at the Hebrew University in the early '40s. Ben-Gurion saw Goren's wedding of the army and religion as a positive embodiment of *mamlachtiut* (the centrality of national sovereignty as a value). Here was a graduate to the hard-core, conservative Hebron Yeshiva, that nest of enmity towards Ben-Gurion, who was willing to collaborate with an agnostic socialist prime minister, and seek relatively progressive solutions to modern *halachic* problems.

Accordingly, Ben-Gurion as defence minister gave Goren a free hand. Brooking no opposition in the Chaplaincy Corps, Goren took to absolute power like a duck to water.

JUST AS in later years, Goren begrudged the attention enjoyed by Ovadia Yosef, he made sure, in the IDF, that his eventual and natural successor, Rabbi Mordechai Piron, was kept out of the limelight. For years he denied Piron the title of deputy, and is said to have personally removed a sign describing him as such from Piron's office door. In order not to upset his commander, Piron had to be content for a long time with the title, "Permanent Acting Chief Chaplain."

After the Yom Kippur War, Goren tried to settle accounts with Piron in an extraordinarily machiavellian manner. He "planted" a question in a radio interview programme in order to give himself an opportunity of criticizing Piron for neglecting his duties to the bodies of fallen soldiers. The ploy backfired: he drew massive condemnation on himself for causing further anguish to the bereaved families.

Goren's spite against his own brother-in-law, Rabbi She'ar Yashuv Cohen, is legendary. When Cohen wanted to stand for election as Haifa city rabbi, Goren denied him the necessary certificate of qualification, because Cohen had questioned the chief rabbi's views

on the famous case of the Langer brother and sister, who, according to *Halacha*, were *mamzerim*. Simultaneously, Goren denied the same document to the Sephardi candidate for the Haifa post, Rabbi Bakshi Doron, a scholar of great repute. But when the NRP, appalled at Goren's stubbornness, threatened to amend the law, making the certificate unnecessary for city rabbis, he gave both Cohen and Doron their certificates in less than an hour.

JOURNALISTS covering rabbinical affairs had, for many years, either to take dictated news items from Goren or suffer his abuse.

One female reporter, daughter of an eminent orthodox rabbi, who wrote about Goren's attack on his IDF successor, Rabbi Piron, was told over the phone: "You are excommunicated. You shall have no part in the world to come." Another Orthodox reporter, who quoted Goren's critics in the rabbinical world, was blasted with the Kabbalistic phrase *Sitra ahra* (the devil's own).

When newspapers gave an account of an event differing from Goren's own version, he would immediately complain to the editor about the writer's malice. As a result, he forced more than one reporter to quit the rabbinical beat in disgust.

CONVINCED that he was destined to be chief rabbi, and certain that Labour support would help him carry the day, Goren made it known, when the post fell vacant on the death of Chief Rabbi Herzog in 1959, that he wanted to stand for election.

However, the country's veteran rabbis, and part of the leadership of the NRP, opposed his candidacy. Squabbles between the NRP and Mapai delayed the election for five years, during which time the country made do without an Ashkenazi chief rabbi.

Outside of Mapai, Goren's religious backing came from the young guard of the NRP, figures like Zevulun Hammer and Yehuda Ben-Meir, who identified with Goren for reasons of age and

politics alike. In 1964, Goren lost against the late Isser Yehuda Unterman by three votes, and his adherents immediately protested that ballots against him had been forged.

DURING THE previous five years of politicking, Goren had remained chief chaplain of the forces. As an *aluf* (brigadier) he stood for the chief rabbinate of Tel Aviv in 1968. His own uncertainty about whether or not he wanted it had helped to keep the post vacant for four years. He was elected by 46 votes against 41 for Rabbi Yedidia Frankel, but did not take up the position for three years. While the city's Ashkenazi community waited, Goren let it be known that he had more important work to do in the IDF. Well-informed circles said he feared the Tel Aviv post might interfere with his prospects in a future chief rabbinate election. But in June 1971 he finally quit the IDF, after 23 years as chief chaplain, and was installed in Tel Aviv.

Sixteen months later, he stood against Unterman again, the first time an incumbent chief rabbi had ever been challenged. With Labour and the NRP solidly behind him, Goren won by 89 votes to 57. Within days, Goren and his Sephardi colleague, Ovadia Yosef, were threatening each other, boycotting each other, and feuding.

Within three months, as *The Jerusalem Post* reported in January 1973, Goren had reduced Yosef to tears. Telling Sephardi leaders of his torments, Yosef said: "I live under a dictatorship.... he bangs on the table and that's it... you don't know what goes on in Hechal Shlomo. I am alone, fighting every step, every day, every hour. I cannot sleep for nights on end before the Rabbinate Council meetings."

Goren soon became involved in coalition politics too. He let himself be used by the young guard of the NRP, in February 1974, when they wanted to prevent the party veterans from joining Golda Meir's coalition. This issue, *prima facie*, was the "Who's a Jew" Law, as the amendment to the Law of Return is traditionally dubbed.

But when Goren ordered the NRP to stay out of the Alignment-led coalition, as it did till September of the same year, there was probably an ideological understanding between the chief rabbi and the NRP young guard over their common aspirations for a Greater Eretz Yisrael and for a new regime which might advance those aspirations.

GOREN HAD a significant effect on the psychological, political and religious consequences of the Six Day War — consequences with which Israelis are still trying to cope.

Trailing clouds of glory, wearing his mantle of warrior-prophet, and endorsed by the authority of the victorious IDF, the rabbi diffused his euphoria throughout the whole of biblical Eretz Yisrael in his mission to restore the nation's ancient greatness in the name of the Almighty.

A report in *The Post* on a symposium addressed by Goren in August 1962 affords dramatic insight into the rabbi's grandiose vision. Five years before the Six Day War, he said: "If we should conquer the Temple Mount today, we would be obliged to build the Temple on it."

The realities of government and the orders of his superiors obviously compelled him to repress and sublimate this, and similar convictions, which fuelled his behaviour later on.

Goren's "firsts" after the Six Day War — first grasping his *shofar* at the Western Wall, first inside Rachel's Tomb, first inside the Machpela Cave — need never have been controversial. But he made them so when he topped them by his helicopter flight to Jebel Musa on the eve of Shavuot to broadcast to the IDF from the very place where, according to tradition, Moses received the Tora from the Almighty. With a retinue of radio reporters and photographers around him on the Jebel, Goren blew a *shofar* and proved beyond any shadow of doubt that he was literally blowing his own trumpet.

From there, it was but a short psychological step to his Tisha Be'av service on the Temple Mount seven weeks later. It was only heavy pressure from the government, especially the Defence Ministry, and admonitions from the two chief rabbis, that compelled him to drop plans for more such services.

Chief Rabbi Goren has perplexed many people by the way his pronouncements fuse acceptable spiritual elements with transcendental rhetoric, which he would like to see as politically self-fulfilling.

There is no simpler example than his statement to Paris Jewry in May 1977: "The Yom Kippur War victory clearly proved that the hand of Providence intervened. We have entered the stage of the third Redemption, from which there is no retreat." □

RESEARCH MOVES INTO BIOTECHNOLOGY, ROBOTICS

Jerusalem THE JERUSALEM POST in English 18 Aug 81 p 10

[Article by Aryeh Greenfield]

[Text]

Israel's industrial researchers are entering two new, and potentially important fields: biotechnology and robotics.

In both areas, efforts now stand more or less where this country's electronics industry stood in the mid-1960s. In both rapid growth seems likely, leading to extensive production and very large exports by the end of this decade.

University research in biotechnology in Israel has a history of many decades, and Israel scientists are abreast of the latest international developments in genetic engineering and other advanced technologies. All that, however, has not yet resulted in significant economic activity.

Two firms have been operating in the field for some time in Rehovot and Nes Ziona. The one, Interpharm, is a subsidiary of Ares Applied Research Systems, a Swiss-based company with extensive high technology interests. Interpharm produces human growth hormone; it projects its exports of that substance at \$1.5m. a year.

That, of course, does not satisfy anyone. Only recently the company raised \$6m. in new share capital in the New York over-the-counter market, much of it to finance additional research. Significantly, three fourths of the firm's 32-

member staff work on R and D projects.

Inter-Yeda is a joint venture of Interpharm and the Weizmann Institute's Yeda Company. Its efforts are devoted to the production of commercial quantities of Interferon, a substance which already has proven its efficacy against certain viral infections. Some scientists believe it also holds promise as remedy for certain types of cancer.

The third business venture in this general sphere was officially inaugurated in Rehovot only last week. Based largely on capital raised by New York financier Frederick Adler, and on previous research at the Weizmann Institute and the Hebrew University, Biotechnology General (Israel) plans to develop and manufacture four preparations that can be of revolutionary importance to agriculture.

One is a novel vaccine against foot-and-mouth disease; a second — bovine growth hormone — is expected to raise milk production by as much as 15 per cent without necessitating an increase in feed consumption. The third will be a biological disease control agent, based on a soil fungus (trichoderma) which destroys many disease-bearing fungi.

Most interesting is the fourth programme, which aims at the development of nitrogen-fixing bacteria. Adding those micro-organisms to grain crop seeds will enable plants to fix nitrogen directly from the atmosphere, rather than requiring large quantities of nitrate fertilizers. Success in this effort will not only reduce farm production costs, but will also eliminate one of the most difficult sources of water pollution.

In the field of robotics, work is only now starting, although the subject has been studied for some time at the Technion. There also are beginnings of robot utilization in some factories.

A Robotics Research Institute is being established within the Technion's Mechanical Engineering Department, to research the subject and to train specialists.

At the same time, the Chief Scientist's Office, in the Industry and Trade Ministry, has announced approval of its first R and D grant in the field of robotics. One of Israel's large manufacturing firms has embarked on a three-year project for the development of a welding and assembly robot. Other projects in this field may well grow out of this country's fairly developed production of computerized numerical control equipment for the machine building industry.

ECONOMIC POLICIES SAID HINDERING MAJOR PROJECTS

Jerusalem THE JERUSALEM POST in English 2 Sep 81 p 8

[Article by Macabee Dean]

[Text]

TEL AVIV. — The government's economic policies will cause four national projects to remain "on paper" in the foreseeable future, Koor head Naftali Blumenthal, MK (Alignment), yesterday told the annual meeting of the Kibbutz Industries.

He said the four projects were: the continuation of building facilities for the IDF in the Negev; the construction of the third airport in the Negev; the production of the Lavie airplane engine; and the Mediterranean-Dead Sea Canal.

Blumenthal, in a highly critical speech, said that the government's policies were leading to stagnation of the economy in all fields. No economic growth could be visualized under present conditions, "and there are all indications that these conditions of non-growth will continue through 1982." He added that the first half of 1981 saw a drop of 4 per cent (in real terms) of exports (without diamonds), while imports (not including oil and raw diamonds) increased by 10 per cent. At the same time there was a 75 per cent jump in the sale of appliances (such as colour TV sets).

The adverse balance of payments grew by 70 per cent in the first quarter of the year, while investments in industry dropped by 20 per cent, following a drop of 20 per cent in 1980, he said.

He attacked the policies of the Bank of Israel (reducing the volume of credit) and of the Finance Ministry (not signing new contracts with its suppliers). "Industry is a very vulnerable sector — and easily hurt," he said, pointing out that "government ministers don't resign when we cry for help."

The role of the industrialists who wanted to export was steadily deteriorating, and "we are at a disadvantage to the extent of between 10 and 17 per cent in all fields (credits) compared to our opposite numbers in Europe. This gives our competitors there a clear advantage over us."

Blumenthal noted that "so far" there had been few cut-backs in research and development funds. "If cuts begin in R&D, the results can be disastrous." Once industry falls behind in this field, enormous efforts are needed to catch up, he explained.

He called on "all those active in industry" — the economic ministers, the industrialists, the Histadrut and the workers — to get together and work out a "ten-year development plan." By investing \$10 billion over the next decade, the amount of industrial exports could be doubled. "Only through such exports can we pare away the growing gap in our balance of payments," he said.

SOLEL BONE SEEKS NEW INVESTMENTS, VENTURES

Jerusalem THE JERUSALEM POST in English 27 Aug 81 p 9

[Article by David Krivine]

[Text]

Solel Boneh started life as a building contractor. It grew and grew, gave many of its workers permanency on the job, with fringe benefits and profit-sharing — as though they were in industrial employment.

The Histadrut-owned company became a giant in the field, concentrating on big projects. It put up all the country's hospitals (as prime contractor), all its universities, built most of the hotels and began the two atomic research piles, not to mention roads, housing, ports, airfields.

And then in the 1970s the volume of construction activity in Israel fell by one-third.

Almost 50 years have passed since Solel Boneh was established. During that period it was occupied with laying the foundations of the country. In the early 1920s the population was sparse and there were few of the man-made amenities which serve a population's needs.

Now it has all been provided, the nation exists. The backlog of immigrants are housed, the flow of newcomers is down to a trickle. Soon the latest boost to development, given by the redeployment of the army in the Negev, will be finished. There is not as much building to do as before.

What effect does this change have on Solel Boneh? I turned to Ehud Shilo, one of the company's three executive directors (under chairman Shraga Rothman). The last time I interviewed Shilo was in his capacity as director-general of

the Transport Ministry. Now he is back in the Histadrut, heading economics and development in Israel's biggest construction firm. "How," I asked him, "are you coping?"

"Our aim is not primarily to make profits, it's to give employment. We cannot put our men on the streets just because the profits aren't coming in," he points out. Solel Boneh had to stay in business, at a time when their main function was not fully economic.

The first answer they came up with was, if we can't build at home, let's try building abroad. Where abroad? The advanced countries are currently recession-prone — particularly in this line of business, having completed their restoration work after World War II. The Middle East oil powers are urbanizing frantically, but Israel has no access to their construction sites. What is left is: the non-Arab Third World.

That seems precious little, but Solel Boneh was not discouraged. In 1970 its foreign turnover was \$3-3m., in 1980 almost fifteen times as much, or \$468m. The company by now employs more workers overseas than it does at home.

At first glance this export initiative does not seem to serve the company's main purpose. It earns foreign currency, which is a good policy objective in its own right. It keeps the whole enterprise in the black, which is meritorious too. According to Shilo, the export market for his company's building services

is proving more profitable than the domestic market in Israel.

But it does not create jobs for the Israeli work-force, to replace those dwindling local orders. The foreign-earned turnover in its entirety — equal to the turnover at home — was secured by 850 Israelis only (excluding the foreign labour), out of an employed staff in Solel Boneh twenty times as great.

If the aim is job creation, the place to do it is plainly inside Israel. The company is not blind to this exigency, but claims that the export business helps it to achieve the objective of increased employment indirectly, by supplying the cash.

Cash is needed to prime the pump of economic activity. If jobs are not on offer in Israel, they have to be created. Solel Boneh no longer contents itself with looking for sponsors, it is becoming a sponsor itself. The profits from its overseas operations, together with funds mobilized from other sources, supply the wherewithal.

Results are dramatic. During the last five years, the enterprise has taken on a new role. Hitherto it worked for others, now it works for itself. "We buy land, build on it and sell the end-product. We have under construction at this moment 6,000 flats. Most of them are our property, we offer them on the market." They used to be a contracting company and nothing else, now they are a housing and development company as well.

"We go on creating hotels, but this time as part-owners. We plan industrial zones, construct the factory premises — for leasing. All this needs techniques of financial management, techniques of marketing — things we never had to bother with before."

The advantage of the new role is that Solel Boneh is better placed to get the routine contracts for building work, on which it depends if it is to keep the labour force employed. It initiates projects, it is an associate in combines that give out contracts. Thus a shopping centre, replete with apartments, is going up in the heart of Haifa. Solel Boneh is the builder. It also happens to be a fifty-fifty partner in the venture with the Federman group.

They have started to offer turnkey projects. That means planning and constructing an entire power-station, factory or oil refinery, for delivery complete, equipped and ready to operate.

Disciplines other than civil engineering are involved. A big medical centre is going up in Quito, Ecuador. Solel Boneh put together the consortium that is financing the scheme. The Israelis are in charge of the building work, which requires the recruitment of specialized medical and engineering talents.

This imaginative new approach in Solel Boneh may spark a break with conventional thinking elsewhere, notably in the hide-bound government departments. Here is an example. Ben-Gurion Airport needs a new big terminal ready for the 1990s. Construction may well be delayed interminably, given that the government is chronically short of budget.

But why should the government build it? Solel Boneh is ready to erect a brand-new international air terminal for Israel. It will form a partnership with other business interests, and the group will retain ownership. The government as well as other users of the various facilities can pay them rent.

These bold innovations still do not exhaust the welter of ideas conjured up at the company's Allenby Street headquarters. The process of diversification described so far is essentially vertical. Solel Boneh has taken on a greater share of the building operation — investment, planning, financial and owning, as well as constructing.

The time has come to turn its gaze in another direction, towards horizontal diversification. "We are not limited to the construction process. The know-how we possess equips us to tackle, at least as beginners, certain industries which can be seen as kindred to our own occupation.

"We quarry for building materials — why should we not quarry for minerals? Our subsidiary, Herouth, employs 1,000 people in making electromechanical products needed in and around the house; boilers, plumbing installations, pipelines,

air-conditioners, electric storage heaters. There is nothing to prevent them from taking a step forward into other fields, like solar energy, ecology, the recycling of materials."

Here is another example. The new power-station in Hadera is to be fed on coal, and the coal jetty is not yet complete. Solel Boneh has, believe it or not, a small shipyard in Haifa called Solmar. It has produced from this shipyard a brace of floating cranes which unload coal from bulk-cargo vessels onto barges.

Then recently, the following small news items appeared in the American publication, *Coal Week International*. It has not been denied by the company authorities:

"Israel's largest construction firm, Solel Boneh, is looking into the possibility of investing in coal-mining operations in the U.S. or in Latin America.

"The company also is considering possible cooperation with other Israeli companies to obtain mining rights to meet the growing demand for coal in Israel and other parts of the world."

Solel Boneh is not letting the grass grow under its feet. But there could be doubts about the utility of these foreign operations. It is very nice to set 25,000 foreigners to build homes and hotels and highways and railway stations and water dams in developing countries. What does Israel get out of it?

Shilo says it is the same that El Al and Zim and the diamond industry and other low-added-value export undertakings contribute to the national exchequer. El Al carries foreign travellers between foreign airports in foreign-built planes powered by foreign-purchased fuel.

"During the years 1975-1980, we converted \$130m. into Israeli money. In 1980 alone conversions were \$40m., out of a turnover of \$450m. — and that does not include wages paid out to Israelis or money re-invested in our operations overseas."

He calculates the total added value at around 15 per cent. This figure takes into account the growth in the complexity of the ventures undertaken. A turnkey project re-

quiring engineering knowledge and technical equipment, which Israel would supply in part, must bring in more than plain construction jobs.

The financial return is a respectable one, not only as a proportion of turnover, but as a proportion of the resources invested. Net foreign currency accumulated last year must have been close to \$70m., an inflow generated, as we have seen by no more than 850 Israelis, or 5 per cent of Solel Boneh's labour force.

Expectations for 1981 are as follows. Domestic income will be down by 1 per cent to IS7.2b. (A 5 per cent rise in building work is offset by an 11 per cent drop in road construction.)

Foreign income will be up by one-quarter to \$550m. So total turnover will increase by 12 per cent to IS14b.

This, like many balance-sheet figures in these inflationary times, gives an optimistic version of real growth. If we base our calculation not on the foreign turnover, but on the added value only of the foreign operation, then the growth of Solel Boneh's total activities is only 3 or 4 per cent.

The export side is, however, expanding faster than the domestic side. Five years from now Solel

Boneh's work abroad will be twice as substantial as its work in Israel. Not that the local operations are billed to contract, but growth is likely to be almost entirely in the overseas branch.

Solel Boneh will in all probability not increase its employment of Israelis appreciably, but it will increase its contribution of foreign currency to Israel's export earnings. If the truth be said, that development is not out of line with Israel's present-day needs.

Much has happened in Solel Boneh during the last decade. In 1970 it could still be depicted as a rough-and-ready building outfit. The characteristic figure at that time would be a veteran Yiddish-speaking foreman in Zalman shorts, doing his sums with a pencil stub on a packet of Ascot cigarettes.

The scene in 1980 is altogether more sophisticated. We face a predominantly international concern. The typical Solel Boneh representative nowadays is a briefcase-carrying, multilingual graduate in business administration, boarding an intercontinental jet for distant parts.

Less earthy, less homely, less true to the original labour-Zionist vision — but more in keeping with the spirit of the times.

GALILEE ARAB TOWNS SHOW FINANCIAL PROBLEMS

Jerusalem AL-FAJR in English 9-15 Aug 81 p 4

[Article by Awad Abdel Fattah]

[Text]

The fiscal crisis in Palestine municipalities within the pre-'67 border of the state of Israel is deepening. The one-day strike held on July 29 was called by the Committee of the Heads of Arab Local Councils to draw attention to the situation and to protest discriminatory policies of Israeli authorities against the Palestinian Arab population.

Ha'aretz reported, July 31, that the average budget of Israeli municipalities in Israel is IS 3,000 per person while the average budget of Palestinian municipalities is IS 500. For instance, Acre municipality has a IS 150 million budget compared to Nazareth's IS 8 million; Nazareth has twice the population of Acre.

The report by Palestinian journalist Atallah Mansour goes on to reveal that the village of Yafa has a budget of IS 31 per person; Yarka, IS 35; Mughar, IS 37; Kufur Kana, IS 70; Usafiya, IS 72; and Arara, Tira, Taibe and Tamara over IS 90. In the same year, 1977, the Pardes Hana-Karkur budget was IS 180

per person; Nes Ziona, IS 228; and Ma'alot, Magdal Ha'emek and Eilat over IS 500; all the latter are exclusively Jewish communities.

In the last two months most Arab local councils were not able to meet their payrolls. Many council employees have faced severe personal difficulties, particularly over the recent Id el-Fitr period. To pay their workers, Nazareth municipality, for instance, had to borrow money privately at high rates of interest. In addition, several projects have been brought to a standstill midway through execution, or postponed altogether. Because of lack of cash, plans and transactions with contractors were not carried out. In Ura el Fahm, work on the second part of a drainage system had to be stopped for lack of funds after the Israeli Interior Ministry did not have the grants due to the local council. A housing project for young couples was not even started.

In Shafa'Amr, the second Palestinian town, after Nazareth, in post '48 Israel, a project to improve and widen a long internal road came to a standstill in February. A voluntary work camp, due to start August 5 in Arrabe, Galilee, was called off at the last minute when the Israeli authorities refused to authorize local council expenditure for the project.

The Roots of the Problem

The Arab local councils in Israel receive a fraction of the budget of Israeli Jewish municipalities. "We breathe discrimination," Nazareth mayor Tawfiq Ziad told *Al Fajr*, "like we breathe air." According to him, Arab local council budgets are between 15 and 20 percent of those given to Jewish local councils and municipalities. He said that if IS 100,000 is needed for paving a road, the government offers not more than IS 10,000.

One of the most common forms of harassment faced by Palestinian local councils is the delay of payment of statutory grants. Nazareth municipality and other Arab local councils face constant delays for most standard grants. Nazareth has resorted to the High Court several times to force the government to pay.

Every year the Arab local councils in the state prepare yearly budgets on the basis of the cost of basic requirements and the vital needs. These budgets are forwarded to the Interior Ministry for endorsement. In almost every case the Interior Ministry cuts the budget by half.

Nazareth's proposed budget for '81-'82 was IS 138 million: only IS 81 million was approved and this sum has not been released yet. Um el-Fahm local council budget was approved at IS 10.7 million: they applied for IS 29 million. Their approved budget has also not been released yet. Even after approval the budget is not paid out in a lump sum. Around half of the budget is held, un-indexed, for several months. This alone means that the budget in real terms is reduced even more. Inflation last year ran at 132 percent. At such levels it is impossible to effectively work out an annual budget, especially with unlinked grants.

No Employees

One decision forced on local councils by their financial situation is to drastically reduce their payrolls. Um el-Fahm council asked for 20 sanitation workers, but the Interior Ministry budgeted for only four.

"Four sanitation workers is completely insufficient for a village of 22,000 people," said Abu Majed, the head of the local council. "In order to keep the village clean and thus avoid disease, we need more workers."

Progress Stops

Development projects have been brought to a standstill, in most Arab villages. Particularly hit is the development of education, and social and economic sides of the Arab village. Israel's Ministry of the Interior admits that the Arab education sector requires 2,600 school rooms to meet the needs of the present school population. Ibrahim Nimr, the head of the Shafa'Amr Municipal Council pointed out that the real number is much larger. Abu Majed said that there are over 100 rented school rooms in Um el-Fahm spread all over the village. They have no modern facilities.

Arab local councils have not been able to industrialize Arab villages because lack of funding and the fact that no Arab village is zoned for industry, thus any private entrepreneur cannot, by law, build plants in Arab villages. "This is part of a deliberate plan to leave the Arab village retarded and subservient to the Jewish market," said Hussein Abu Hussein, a member of Um el-Fahm local council.

Another problem facing the Arab villages is the housing crisis. The most affected by the problem are the young couples who need new homes. But due

to the high prices of construction materials, they cannot afford to build houses without governmental assistance or by going into debt for the rest of their lives. The government hardly ever allots money for setting up housing units in the Arab sector. The only known cases are in the Galilee where projects were established to assist the 'de-Arabization' of Acre and to resettle refugees away from their home villages. In the Jewish settlements and towns, the Jewish Agency has a massive housing budget and the government assists with schemes for deprived sectors of the Jewish population.

On top of all other problems, the central authorities interfere in the work of local councils when they develop projects of their own. The District Commissioner of Haifa warned the Um el-Fahm local council, April 5, that it would be disbanded if it continued to exceed its budget without prior approval of the Commissioner. The local council was forced to shelve plans for two new school buildings and the paving and repairing of internal roads in the village. The Commissioner informed the local council that this year's development budget should only be used for road repairs. The head of the local council condemns the Commissioner's move as an unjust and arbitrary decision. "This means that no development project can be started next year," he said.

According to Ibrahim Nemir, the percentage of the development budgets of local councils in the Arab sector are petty. In most cases, he says, local levies have to be raised to cover the costs of important projects.

Ali Sanallah, the head of the local council of Deir el-Assad, agrees that the basic reason of the crisis lies in the marked difference between the budgets given to Arab and Jewish local councils. In spite of the fact that Deir el-Assad falls in the area categorized as 'Development Area B,' it does not obtain the same development budgets as the surrounding Jewish settlements do, he pointed out.

To the Knesset

As the crisis deepens the councils are fighting back. The Committee of the Heads of Arab Local Councils is planning an all out strike if their demands are not considered. MK Tawfiq Zayyed told *Al Fajr* that he will be raising the situation in the Knesset when it meets, August 10.

CSO: 4300/112

GAZA ISLAMIC UNIVERSITY FACES PROBLEMS

Jerusalem AL-FAJR in English 16-22 Aug 81 pp 8-9

[Article by Assad Kamal]

[Text]

The Islamic University, the first university in Gaza, has been an arena for heated political controversy on the local scene since its beginnings three years ago. Political control and educational goals are important questions for one of the few nascent national institutions in Gaza.

The concept of an Islamic University was officially initiated by the administrators of Al Azhar (Palestine Religious Institute) to be an "Islamic Arab institution." Along with its stated goals of offering higher education, undertaking research, graduating people to serve the community, and strengthening ties with other institutions world-wide, are the objectives of "promoting comparative study of the Islamic and secular laws and preaching of the Islamic commandments."

The interpretation of the latter two points and the weak application of the others have especially distressed secular educationists and others interested in education in Gaza. They are interested to see a university develop to meet the acute overall needs of Palestinians in Gaza and find fault with the administration's fundamentalist application of Islam.

The student body is presently divided between supporters of fundamentalist Islamic groupings and those who have been forced to go along or remain quiet.

The controversy between the two groups, however, is minimized by the chief threat of the Israeli occupation authorities who seem to prefer

no university in Gaza. They do not recognize the institution officially and have blocked attempts to develop it into a full-fledged university. They have interfered in building construction, in hiring of staff and in allowing financing for the institution. This makes the name 'university' a pretentious label for what is still essentially a religious institute.

Both the university's critics and its supporters feel that the authorities' restrictions stop its development into a legitimate multi-disciplinary university centre.

WHERE CAN STUDENTS GO?

Egyptian universities used to absorb between 1,000 to 1500 students from Gaza before 1978 when they curtailed their acceptances almost totally. Admissions to Syria, Lebanon, Iraq, Saudi Arabia and other Gulf state universities were also cut back for Palestinian students for various political reasons. "This was one of the major reasons for Gaza Palestinians to reflect on their lack of educational institutions. Five thousand students graduate annually from our secondary schools and all those wishing to attend university are not absorbed by those in the West Bank," said one Islamic University administrator.

The idea for setting up a university in Gaza, however, preceded the post-'78 period. Shafiq Tarazi, a long-time educator and director of Gaza College, the area's only private secondary school, told Al Fajr: "We (GC) tried to start university classes during the period of Egyptian rule. Because of the

open acceptance and minimal expenses for our students in Egypt, coupled with our own lack of facilities, there was no real need at the time.'

After the 1973 War, officials of the Egyptian Foreign Ministry offered financial backing for a Gaza university, but the Israeli authorities refused to approve its establishment.

In 1977, Tarazi, along with his brother Wadia' (now deceased) again thought of starting classes. This time attached to Bir Zeit University. The Israeli authorities at first ignored the request. "Later," Shafeq said, "they sent us a list of questions about staffing, program and financing, which we answered, and a group headed by the assistant to the military governor for Arab affairs in Gaza visited our facilities. They told us that there was no reason for stopping us, so we waited for written permission."

In 1979, a voluntary committee representing a number of university graduates in Gaza interested in education met under the chairmanship of Haider Abdul-Shafi, head of the Gaza Red Crescent Society. The group issued a report favouring establishment of a university. "We realized the project needed coordination of all available facilities in Gaza as well as input from abroad," says Haider Abdul Shafi. The committee was to try to organise funding, administrative skills and recruitment.

Meanwhile the Azhar Institute Board of Trustees started to develop university level classes toward the establishment of an 'Islamic university.' Institute administrators and right-wing fundamentalist Muslim activists launched a stiff campaign of opposition against the secular voluntary committee. "They misinterpreted our meetings as an attempt to thwart the progress of the Islamic University, while, in fact, it was immaterial to us whether we adopted the project of developing that institution or would create an alternative," explains Abdul Shafi.

The voluntary committee as such disbanded in 1980 with some of its members becoming members of the university's board of trustees. "Things in the university were not as we would have liked," says one member, "but we thought we'd want to see if it would eventually be O.K. — otherwise, we would try to make a new university."

In February 1981, the authorities hit directly at the board of trustees, ordering the removal of seven of 13 members. The six remaining, all also on the board of al-Azhar, include five merchants, two

who are resident in Egypt, who paid for their places by financing repairs on the institute, damaged in the 1967 War. The sixth member is Sheikh Awad, institute director, and a recognized leader of the right-wing Islamic fundamentalists.

The seven removed are all university educated professionals with more liberal notions on development of a university. Some were in the voluntary committee. One claims the removal was a coincidence of the authorities' suppression of Palestinian educational opportunity and Awad's desire to "control the university and fill the staff with sheikhs rather than PhDs."

Al Azhar Institute which initiated the university is related to the university in Cairo of the same name. The Gaza University started in 1978-79 with 123 students, 16 faculty and three administrators. Islamic religion and law and Arabic language and literature were offered. In 1980-81 the curriculum was expanded to include education, commerce, economics, and science. The official number of students was over 800, with an academic staff of 48 and 19 administrators. The university calendar predicts these figures will be more than doubled in two years and that "in 10 years time, the Islamic University will accommodate over 5,000 students."

Through the last academic year, the campus was no more than the crowded classrooms and yard of al-Azhar which were available in the afternoon only. The military authorities had denied a building permit for an adjoining site. In May, Israel's Deputy Defence Minister Mordechai Zipori finally agreed to allow completion of a one-storey building begun before 1967. Now the university has asked for a permit to add on a second storey. If all planned construction is allowed, the administration hopes to complete a sizeable campus by 1985.

Most of the faculty are Gaza residents and most studied in Egypt, especially at al-Azhar University. Most are full-time, but a minority have other teaching posts in West Bank institutions. Seven are PhDs, 15 MAs or MScs, the rest BAs or BScs. The university hopes to upgrade their staff's academic qualifications by encouraging further study, financed through scholarships provided by Saudi Arabia.

The Israeli authorities have raised obstacles to the admission of qualified faculty. "Twenty appointed (Palestinian) professors residing outside the country, who had either left before 1967 or without

obtaining 'necessary' permission from the Israelis, cannot come back," says a senior administrator, "although they were all post-'48 Gaza residents."

"We applied for work permits and they were denied. Others came as 'visitors' and applied here for their work permits. They are all 'under consideration.'"

A month ago, Ziad Hammoudeh, an Arabic language professor who had been teaching in the institute and university for three years on a bimonthly renewable visitor's visa was ordered to leave the country by the authorities.

STUDENT BODY

The student body is predominantly from the Gaza Strip though it is open to any Palestinian student. There are no housing accommodations for those from outside. The authorities, moreover, have discouraged a broader entrance. "Last year they refused to give permits to three students from Nazareth to study in Gaza," according to Acting President and Dean of Education Riyadh al-Agha. Though only four Christian students are enrolled, "we are open to all who observe our rules," says al-Agha.

Students interviewed gave a range of reasons for studying at the Islamic University: proximity to home, lack of money or difficult social circumstances preventing them from going elsewhere, and the preference to go to a Palestinian university "that is part of our society." Other students gave reasons relevant to the university's 'Islamic' orientation: desire to study religion or religious law or to go to an Islamic-identified institution.

The authorities, moreover, have so far refused to recognize IU as an official four year institution. Only the freshman and sophomore years were recognized as a post-secondary institute, but recognition of the third year seems forthcoming, according to Ahmed Hassan Shawa, board of trustees treasurer.

SEGREGATION

The university is divided into men's and women's sections. A business major says he sees no reason for this. "If each respects his own principles, there should be no problem. It is important for girls and boys to get to understand and trust each other and still to build an Islamic society."

Others feel differently. They say that complete segregation is necessitated by Islamic law and the words of Prophet Muhammad.

One boy admitted that, from a material point of view, it would be more economical to have mixed classrooms but that spiritually it posed a problem. "It causes unusual relations in Egypt and in Europe problems of illegitimate children," he said.

Another expressed concern for fulfilling spiritual needs. He claimed that the university "reflects the beliefs and traditions of people in the Gaza Strip."

Within the limited facilities, the women students got second best. Between classes they can pass their time only in the outside corridor. The open yard is for the men. "Students' activities and programs were only developed for the boys," complains one first-year student. She is wearing a long-sleeved floor-length dress and head scarf. "Though many of the girls don't believe in strict Islamic dress, we're obliged to wear these clothes at school," she says.

Power in the student body rests with the right-wing Muslim fundamentalists who won all the seats on the all-male students' council. One faculty member assessed the situation: "The *sheikhs* supervised the elections, thugs were waiting outside to assure votes and young students newly entering the college have, for the most part, no defined political consciousness."

Several months ago, a gang of Muslim fanatics beat up and knived a student during a protest in the business college over a slotted increase of hours, from four to six, for study of religious subjects.

Fees

Students who register in the religious programs study tuition-free. "They are playing on our economic hardships," says a second-year geography major who feels "the administration wants to attract students to these subjects." It is popularly believed, however, that Saudi Arabia, which foots the university bill, makes this stipulation.

Ten percent of students in non-religious programs got scholarships. Dean al-Agha claims the distribution is made "according to social situation." A faculty member tells a different story: "In 1980-81, first semestre, the administration recommended those eligible. In second semestre, the students' council decided. So those known by the sheikhs got the money--religious *wasta*...Anyway, according to Islam, it is a sin to pay for studies or to accept money for being a sheikh."

Free Thinking

Some of the students' criticisms are echoed within Gaza's intellectual community at-large. Some criticize the lack of freedom of expression in the university. Others would prefer to see an Islamic faculty within a secular institution. And some question the notion of a university that is Islamic per se.

"I would welcome the establishment of an Islamic faculty that would promote Islamic studies in a genuine way...But we also wish to see a climate of free-thinking and dialogue," says Abdul Shafi. "Religious subjects are no good unless there's an atmosphere of the freedom present in other universities," says a recent graduate of Ain Shams University in Alexandria.

"Even an Islamic university must include all subjects--not just specialise in Islam," says Sheikh Fawzi, a long time educator now retired. "As for following the 'Islamic way,'" he continues, "we've seen many Islamic societies develop in Gaza over the last three to four years with no single line. Popularly called 'Muslim Brotherhood,' they don't actually share one name. If they all followed one line, there wouldn't be so many societies...But the authorities like it this way," he concludes.

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LAND EXPROPRIATED NEAR RAMALLAH, OTHER AREAS

Jerusalem AL-FAJR in English 16-22 Aug 81 p 4

[Text]

Last week, Israeli bulldozers began to plough up lands belonging to Ain Yabroud, northeast of Ramallah. The 300 dunam plot in question is 100-150 metres away from the built-up area of the village. The land is a cultivated area which was fenced off earlier this year.

Israel stated the land-grab procedure in the winter of 1980 when the Ramallah military governor showed up in the village and informed the mukhtar that a sewage system would be built for the Jewish Ofra settlement. The governor told the mukhtar that the project would require part of the village's land. The landowners directly affected by the scheme refused to cooperate with the military but a month later Israeli excavators started work.

In February 1981, Israeli bulldozers entered several more tracts of land to build a road. These areas were covered with fig and olive orchards.

One landowner told *Al Fajr*, "When I realized that the bulldozers were going to smash all the trees, I hurried to uproot the undamaged ones myself in order to plant them somewhere else."

Shortly after the incident, Ain Yabroud landowners contacted a lawyer. He contacted the military government demanding an explanation of the military's acts, but was told they "know nothing about the issue."

Abu Khalid, an old man mandated by the Ain Yabroud landowners to pursue the issue with the lawyer and the Israeli

occupation authorities, added that the latest incursion started last March when the Israeli military authorities fenced off lands. This area extends from the limits of the Jewish settlement Ofra to a place 100 metres away from the eastern side of the village. Then last month, Abu Khalid said, Israeli excavators entered another area of about 15 dunams of land and destroyed all the trees there.

In another case, large quantities of soil have been taken from the village to Ofra. One local owner told *Al Fajr*, "They took the soil and left only the rocks, making my lands uncultivable." While these depredations have been continuing, Abu Khalid and the lawyer have been preparing a court case against the military. Some wonder whether there will be any land left when the case is finally heard.

CONSTRUCTION PROJECT SABOTAGED IN WEST BANK VILLAGE

Jerusalem AL-FAJR in English 23-30 Aug 81 p 1

[Text]

After three weeks of negotiations, supporters of the 'village league' in Beit Kahil were forced to repair damage they had caused to a Joint Committee-financed school under construction in the village. On August 17, under pressure of Beit Kahil residents who oppose the involvement of Mustafa Dudeen's Israeli-backed Hebron League in village projects, the saboteurs reexcavated the foundation site which, twenty days before, they had blocked with dirt and stones.

According to village sources, the supporters were acting on the direction of a mukhtar who had been appointed two years ago by Israeli military authorities. The new mukhtar and his followers had been opposed to Beit Kahil, seeking Palestinian funding for its new school, among other projects, in preference of financial backing from the occupation authorities.

Since 1978, when Binyamin Ben Eliezer, general commander of the West Bank, visited Beit Kahil with league boss Dudeen, the military has been trying to

force the village under the political control of the Hebron *nabeta*. The three-year old association of villages (see *Al Fajr* No. 64, 65, 66) is seen by almost all West Bank Palestinians as an Israeli scheme to co-opt Palestinian participation into the autonomy talks.

The few league supporters who are vocal publicly are ostracized by the small village societies who consider such individuals as 'spies' or 'collaborators.'

Ben Eliezer and Dudeen initially proposed in 1978 that the military authorities would pay half of the budget for the new school construction and for an electricity hook-up to the Israeli grid, on condition that the village pay 50 percent of the total. Planning for the projects had to be arranged through league channels.

At that time two generators provided local electricity during evening hours only and the village sorely needed a better energy system. Even so, the mukhtar, popularly elected in 1956, did not embrace the project. He asked instead that the

league, if it were truly interested in rural development, finance the cost of the design plans which he had to submit to the military prior to project approval. The league refused and the projects were suspended.

The mukhtar has avoided any occasion for cooperation with the league's leaders. Several times he was invited to report to the league offices in Hebron to receive congratulations on the Moslem feast days of Id al-Fitr and Id al-Adha from the military governor but he refused to go.

The original Beit Kahil mukhtar also submitted a request to the military government for a bus permit since the only transportation available to and from Beit Kahil is a private taxi service which is too costly for most villagers. The mukhtar was told to process the project through the league. Because he refused, the project has been frozen by the military authorities.

Another attempt to push the village into involvement

with the league was made by Dudeen's right-hand man, Muhammed Nasser, league technical advisor as well as engineering consultant to military headquarters in Beit El. Nasser met with both of Beit Kahil's mukhtars and tribal leaders to convince them to hook up to the Israeli electric company lines which pass near the village. When the village elders refused the plan, Nasser stopped the 'sweet talk' and threatened to use the Israeli military to stop the village's two electric generators. His proxy offer of Israeli help extended to facilitating government jobs and family reunion applications but his offers were refused.

If the village had accepted the hook up to the Israeli grid they said, they would be required to pay half the costs as well as regular rental fees. In contrast to (PLO-Jordan) Joint Committee funding which pays for the entire installation as well as returning project property to the village, the league's

offer was not only rejected for political but also financial reasons.

The new school, whose construction is being hindered by sabotage tactics from a new wave of league supporters, was also a project that came under the wing of the Joint Committee after being proposed by the league-military duo and then rejected by residents. Building designs were finally prepared and approved by the local education committee, then submitted to Amman for PLO funding. The school has since become the focus of the controversy between pro- and anti-league forces.

In the past two months graffiti such as, 'No to the Village League' and 'No to Dudeen's agents' and 'The PLO is our sole legitimate representative,' has been scrawled on the school's walls. The military forced the elected mukhtar to paint over the slogans. Three weeks ago pro-league forces came after dark to vandalize the school site.

According to village sources, the military authorities may appoint another new mukhtar to strengthen the league line in the village. "It is easy to make a mukhtar," one resident says. "You only have to pay JD 1,000. I paid JD 10 to help our man pay the JD 1,000 to the middleman who works for the league, to guarantee the appointment." Eyewitnesses have reported that the league man pays late night visits to the mukhtar-hopeful and that he carries a gun.

In contrast, a leader of a large *hamula* (clan) in another Hebron area village has been applying for a mukhtar appointment for over one year. He had been given verbal promises during this time but he resubmitted his request to the military authorities and was told to 'go through the league' which could process his application quicker and easier than direct contact with the military. When the man refused to approach the league — he considered it to be collaboration with Israeli intelligence — his ID was confiscated and he was summarily dismissed.

CONSTRUCTION BANNED IN LARGE WEST BANK AREA

Jerusalem AL-FAJR in English 23-30 Aug 81 p 5

[Text]

An amendment to military order 418, altering Jordanian law, has effectively frozen a 500,000 dunam area of the West Bank to construction and raised local fears of more Israeli settlements. The military authorities have transferred the authority to grant building permits in this area from the municipalities to the High Organizing Council, a branch of the Israeli military administration.

The land area involved in the military order, 10 percent of the West Bank, is in the most populated section of the occupied territory: from Ain Senia in the north, to al-Arrub in the south, and from Beit 'Ur in the west, to Borka in the east. In effect, said one municipal engineer, "the order is part of a regional planning scheme for the Israelis. The military authorities are now free to 'close areas' by refusing to issue building permits and can decrease municipal borders and virtually stop development for Palestinians."

Municipalities are currently surrounded by belts of town planning areas, slated to be incorporated in eventual expansion of the city borders. No

commercial, residential or public building can now be built in these planning areas without military permission.

The order, coming as it does one month after ex-agricultural minister and settlement czar Ariel Sharon settled into the post of defence minister (and therefore 'in charge of' the occupied territories), is seen as not just coincidental. The intent is clearly to take planning and development out of the hands of Palestinians and to reorganize the West Bank to the liking of Israeli settlement planners.

There was no advance warning about the order nor were there consultations between the Department of Planning and local officials. Mayors and town planners read about the new directive in the newspapers. They were not even sent maps of the area in question.

Hardest hit will be those municipalities which have not yet had their planning areas

approved. Previously 'no construction' orders have been issued by the military authorities for areas adjacent to settlements, in preparation for their expansion. For example, 6,000 dunams of el-Bireh land was closed this year, earmarked for the expansion of Beit El settlement. New building permits were also forbidden for land bordering the main roads leading from Jenin.

Bassam Shaka'a, mayor of Nablus, called the order 'a very serious step.' "This policy," he said, "attempts to create more problems for the residents by refusing construction permits. It is an effort to consolidate the occupation and pressure the residents to emigrate."

The mayor of Jenin, Ahmed Shawki al-Mahmoud, said the order was primarily against the municipalities. He described it as a political decision to cripple the construction projects, and facilitate future land expropriation.

The order is a special problem for Qalqilya, which is 2 kilometers from the so-called 'green line.' Qalqilya lost two-thirds of its buildings when Israeli soldiers destroyed the city after the 1967 war. The municipality, which took an active part in reconstruction efforts, issued more than 500 building permits per year. This progress would now have to stop, said Mayor Haj Amin Nasr.

Hebron acting mayor Mustafa Natshe, said the order was an intentional effort to weaken the authority of the municipalities, and that it was a clear violation of international law.

Elias Freij, Mayor of Bethlehem, concurred that the order was another effort to force emigration of Palestinian residents. "We will not submit our rights and authorities," he said, "which the law gave to us." Freij pointed out that he received no official letter about the ordinance.

BANKING FIGURES CONCERNING DEPOSITS CITED

Paris AL-MUSTAQBAL in Arabic No 231 25 Jul 81 pp 44, 49

[Article: "Development of the Trend Toward Making Deposits in Commercial Banks in Kuwait"]

[Text] For its deposits, the banking apparatus principally draws on the local economy. Last year, deposits by residents accounted for 71 percent of all deposits --which went up in total amount from 3,017,600,000 [Kuwaiti] dinars at the end of 1979 to 3,905,400,000 dinars at the end of 1980. This means that there was an annual rate of increase in deposits of 29.4 percent, and this rate was lower than the rate of increase in banking activity, which totalled 31.6 percent. This led to a decrease in deposits' share in the formation of bank resources of from 70.2 percent at the end of 1979 to 69.1 percent at the end of 1980. This development confirms the trend of a decrease in the relative importance of deposits which has been evidenced during the past few years. Between the end of 1974 and the end of 1980, deposits lost about 16 percent of their importance as one of the sources of financing for banks. Their share of total bank resources decreased from 82.4 percent to 69.1 percent.

In addition to this, deposits of non-residents (foreign liabilities), which consist of deposits made in foreign currencies, have achieved progress at the expense of deposits of residents which have experienced a corresponding decrease. Deposits of non-residents increased from 803,900,000 dinars at the end of 1979 to 1,134,300,000 dinars at the end of 1980. This represents an annual rate of increase of 41 percent. This rate of increase is more than the rate of increase of deposits, totalling 29.4 percent, and is more than the rate of increase of [bank] resources, totalling 31.6 percent. Deposits of residents increased from 2,213,700,000 dinars to 2,771,100,000 dinars during the same period, and this represents a rate of increase of 25.1 percent. This rate is smaller than the rate of increase of deposits and smaller than the rate of increase of bank resources. As a result of this, there has been an increase in the importance of the deposits of non-residents in the formation of bank deposits and resources. Their share of the deposits went up from 26.7 percent to 29 percent, and their share of the market went up from 18.7 percent to 20 percent. On the other hand, the share of deposits of residents decreased from 73.3 percent to 71 percent, and their share of the market declined from 51.6 percent to 49 percent.

Bank statistics indicate that one must go back several years in the past to find the roots of this trend, and these statistics also indicate that this trend is continuing in uninterrupted fashion.

In 1975, for example, deposits of non-residents represented only 16.2 percent of all deposits, and 13 percent of all sources of income. This is in comparison to deposits of residents, which represented 83.8 percent and 87.4 percent respectively. These structural developments, to a great degree, reflect expansion of operations with foreign banks, especially those which specialize in foreign currencies--most of which operate from Bahrain.

Deposits of residents are composed of government deposits and private sector deposits which have been made in Kuwaiti dinars or in foreign currencies, and they include both short-term and long-term deposits. By law the government maintains its deposits in Kuwaiti dinars in the Central Bank. But its deposits in commercial banks are in foreign currencies. The great majority of these deposits are time deposits. Demand deposits constitute only a very small fraction of the deposits, and they are continually decreasing (0.05 percent in 1980).

In light of the special features which characterize the nature and volume of the government of Kuwait's foreign currency resources, the fact that the government makes some of its deposits in foreign currencies in commercial banks can serve the following purposes:

1. Diversification of investment channels for oil revenues, the result being an increase in the distribution of investment risks.
2. Encouragement of domestic banks (which are national institutions) to assume a greater role in the investment of the above-mentioned revenues.
3. Support for the activities of domestic banks on both the national and international levels.

During 1980 government deposits constituted about 5.9 percent of all residents' deposits. These deposits increased at relatively slow rates. Whereas total deposits of residents increased 25 percent, government deposits increased only 18 percent. This led to a decrease in the government's share of deposits down to 5.9 percent of the total of deposits of residents. In addition to this, the increase in government deposits during the last few years has been an unstable increase which has oscillated between increasing and decreasing. It has been noted that the years in which these deposits increased were years in which liquidity of the banks was subjected to some pressures (1979 and 1980) or else were years which were characterized by a national economic recession (1977). This increase, at least partially, reflects intervention by the government to lessen the intensity of the above-mentioned pressures or else to stimulate the national economy.

Private sector deposits are composed of deposits by individuals, institutions, and companies--including companies in the mixed sector. These private sector deposits are considered to be the main source of bank deposits and the backbone of the banks' resources. In 1980 these deposits constituted 94 percent of all deposits of residents, 66.7 percent of the total in deposits, and 46.1 percent of the resources of the banks. At the end of 1980 the total of these deposits amounted to 2,606,200,000 dinars, as opposed to 2,073,800,000 dinars at the end of 1970 [sic]. This represents an annual rate of increase of 25.6 percent. In the years 1977-79 the rates of increase were 30 percent, 23 percent, and 17 percent, respectively.

Bank statistics show that demand deposits in 1980 constituted 16 percent of the total deposits made by the private sector. They increased from 410,600,000 dinars

at the end of 1979 to 418,400,000 dinars at the end of 1980. This represents a very low rate of increase, that is, 1.8 percent. It is possible to explain this low rate of increase by the conversion of some of these deposits into time deposits or foreign currencies in an effort to benefit from the high interest rates which prevailed in the case of these deposits during 1980. This was particularly true during the first and last quarters of that year, when interest rates on dollar deposits made for a period of 6 months totalled 19.56 percent and 16.7 percent, respectively, at the end of March and at the end of December of 1980.

The bank statistics furthermore show that savings deposits (time deposits in foreign currencies and certificates of deposit), in 1980, constituted 84 percent of the total deposits made by the private sector. These deposits increased from 1,663,200,000 dinars at the end of 1979 to 2,187,800,000 dinars at the end of 1980, the resulting rate of increase being 31 percent--a rate of increase equal to the rate of increase in banking activity.

Deposits in foreign currencies increased rapidly during the year, and this rate of increase amounted to 65.3 percent. They increased from 355,600,000 dinars to 587,900,000 dinars. Bank statistics indicate that the increase in these deposits has been characterized by sharp annual changes, both in the direction of increasing and of decreasing. This was a result of changes in conditions for making financial investments abroad and in predictions made concerning the condition of foreign currencies, especially the U.S. dollar. The noticeable improvement in these conditions [for making financial investments abroad] and with regard to expectations [concerning foreign currencies] during the last 3 years explains, to a large degree, why these deposits increased six-fold between the end of 1977 and the end of 1980, and why they increased from 87,100,000 dinars to 587,900,000 dinars. In 1980, savings deposits suffered a negative growth rate of 9.8 percent. These deposits decreased from 302,100,000 dinars at the end of 1979 to 272,500,000 dinars at the end of 1980. This development confirms the trend of decrease in these deposits. This is a trend which began in 1979. Deposits during that year were 302,100,000 dinars, as opposed to 313,400,000 dinars at the end of 1978. This means that these deposits decreased by 13.1 percent during the years 1979-80. This trend can be explained by the conversion of some of these deposits into time deposits or foreign currency deposits.

The changes regarding private sector deposits, in the form shown above, and an analysis thereof, lead one to confirm the following conclusions:

1. Confidence on the part of depositors in the banking apparatus, and their sensitivity to changes in interest rates. This is reflected in the fact that demand deposits constitute only a very small part of the total deposits, whereas savings deposits (time deposits and foreign currency deposits) constitute the bulk of these deposits. This is also reflected in the fact that the deposits are converted from one kind to another in accordance with changes in conditions for investment in each type.
2. Sensitivity of the deposits to differences in interest rates between the national and international markets, to the predictions concerning changes in exchange rates, and to the level of activity in the national economy.
3. The necessity to confront the variations and changes in demand deposits with assets having sufficient liquidity. Perhaps this is the reason which led the

Central Bank, in 1978, to institute a new liquidity system for national banks. This new system is based on setting different liquidity ratios for different maturity dates of the deposits. These rates progressively increase from being that of total exemption for deposits which remain [in the bank] for more than a year to a ratio of 35 percent for demand deposits. The previous system was content to impose a uniform liquidity ratio of 25 percent for the total of deposits--making no distinction between the various types of deposits among all of these deposits.

4. The great possibilities available to the banks to extend the maturity dates of their investments.

9468

CSO: 4304/92

LABOR STATISTICS CITED

Kuwait AL-QABAS in Arabic 16 Jul 81 p 4

[Article: "Primary Characteristics of Foreign Labor; Cases of Final Departure Did Not Reach the Level of Immigration; Koreans Have Lowest Incidence of Relocation From One Installation to Another"]

[Text] The Report on the Primary Characteristics of Foreign Labor for last year issued by the Ministry of Social Affairs and Labor indicates that Korean labor has the lowest incidence of transfer from one installation to another of any labor group. The report also indicates that, with the exception of cases of final cancellation and departure processed on a collective basis by foreign companies operating in Kuwait, the remaining cases in this category fall within the normal tour of work and have not reached the level of immigration.

The report added that transfers and cancellations of residence permits within the domestic sector differed according to type of economic activity and worker nationality. Transfers of Arab workers from one installation to another within the domestic sector accounted for 66.9 percent of all cases of cancellation and transfer, while Asian workers accounted for 32.1 percent of all cases and other nationalities accounted for only 1 percent of all cases.

Looking at particular nationalities, the main nationalities represented within the Arab group were Egyptian, Jordanian, Syrian, and Lebanese. These four nationalities alone accounted for 57 percent of all cases of cancellation and transfer within the domestic sector.

The main nationalities within the Asian group were Indian, Pakistani (including Bangladesh), and Iranian. These nationalities alone accounted for 30.2 percent of all cases of cancellation and transfer within the domestic sector.

Some 90.8 percent of the employment efforts in this category were restricted to the named nationalities within the Arab group--including Yemen--and the Asian group.

Within the Labor Market

In linking these nationalities to economic activity, it must be kept in mind that these cases represent only a portion of the available work opportunities that are filled from within the labor market. Whether the reason behind the cases of

cancellation and transfer is completion of the first job or a search for better job opportunities, the ban which prohibits labor employed by foreign companies operating in Kuwait from transferring from one installation to another has had a noticeable effect. Such a ban is in force among Korean, Indian, and Pakistani companies involved in building and construction activity. For this reason, the number of Korean workers transferring from one installation to another is very small. Similarly, the numbers of Indian and Pakistani workers transferring from one installation to another are out of proportion to the representation of these nationalities in the labor market.

The report adds that with the exception mentioned, there is no other restriction to the relocation of labor from one installation to another in the labor market within the bounds established by Decision No 37 of 1979 which regulates work permits. Therefore, cases of cancellation and transfer are found in varying percentages in nearly all fields of economic activity. This makes it appear very probable that transfers are due, primarily, to efforts to find better job opportunities rather than to termination of work per se--as well as in order to correct conflicting labor conditions. The changes in these and other indicators can be followed through the quarterly reports.

Appended tables provide final cancellation and departure data according to economic activity and nationality and offer a comparison of this data with the previous year's figures.

The Asian Group

These tables reveal the following trends:

--The number of cases of final cancellation and departure for the Asian national group represented 74.5 percent of all such cases.

The corresponding percentages for the other nationalities were 21.6 percent for the Arab group and 3.7 percent for citizens of Europe, the United States, and Canada. The remaining nationalities accounted for 0.04 percent of the total.

--On a country-by-country basis, the data breaks down as follows:

Korean workers clearly had the largest number of cases of final cancellation and departure with 35.7 percent of the total.

In this same category, the Indian group had 20.8 percent, the Egyptian group had 14.1 percent, and the Pakistani group had 8.5 percent of the total number of cases of final cancellation and departure.

The period of time elapsed since the date of issuance of a work permit for the first time adds another dimension to the status of the workers lost by the labor market, which is represented by the number of cases of final cancellation and departure. The most important trends in this area are as follows:

--The percentage of Arab workers who departed the country permanently after a period of 1 year or more was 65.2 percent of all cases of final cancellation and departure in the Arab group.

--The corresponding figure for Asian workers was 50.2 percent of all Asian workers who departed the country permanently.

On a country-by-country basis, the following trends were observed:

--The percentage of Korean workers departing the country permanently after less than 1 year (65.3 percent) was higher than the percentage of Korean workers departing after a year or more (34.7 percent). The percentage of Egyptian workers (64.9 percent) and the percentage of Indian workers (76.2 percent) leaving the country after 1 year were also high.

There was a connection between the time factor and job circumstances. Thus, it can be said that cases of final departure of workers in certain national groups after less than 1 year indicate that the jobs the workers came to perform were by nature temporary jobs. The recurrence of this phenomenon for the second straight year confirms this reading of the statistics and indicators. Moreover, it is the feeling of the Employment Organization, based on daily experience with the labor market and dealings with the foreign companies that hire groups of workers of certain nationalities, that the actual facts of the situation agree perfectly with the statistical data.

Relationship Between Nationality and Economic Activity

The relationship between nationality, level of economic activity, and time period can be perceived merely by noting the status of the aforementioned nationalities with respect to the number employed in building and construction activity, the number departing after less than 1 year, and the number departing after more than 1 year as compared to the corresponding statistics for the remaining nationalities.

From everything that has been presented, it can be said that, with the exception of cases of final cancellation and collective departures by foreign companies who have completed their projects, that the rest of the cases fall within the normal work tour and have not yet reached the limit of immigration.

8591

CSO: 4304/84

MINISTER OF PUBLIC WORKS DISCUSSES AGRICULTURAL ISSUES

Kuwait AL-QABAS in Arabic 11 Jul 81 p 2

[Article: "Improving Agricultural Performance in Kuwait Is an Urgent Necessity; Minister of Works: 'Call for Establishment of Independent Agricultural Organization Is Unjustified'; Farmers' Circles: Establishment of Agriculture College Urgently Needed to Complete Development'; Agricultural Engineers: 'Our Work Is in the Field, Not in Offices, So Give Us Allotments!'"]

[Text] Specialized sources have stated that the country's agricultural performance is a problem with real significance, not just a superficial issue. The sources stated that matters pertaining to agriculture and agricultural and food production in the country are governed by a plan whose success is inseparably linked to the other group in the equation, namely the farmers. In making these remarks, the sources were commenting on recent efforts pertaining to the country's agricultural progress, such as the call for an independent agricultural organization and the call for the establishment of a college of agriculture at the University of Kuwait, in the context of the public effort.

Expressing his opinion on the establishment of an independent agricultural organization for the country, Minister of Public Works engineer 'Abdallah al-Dukhayl stated: "The establishment of an independent organization or institution for this purpose would mean that such an organization would perform an executive role rather than a supervisory role. The General Housing Organization, for example, constructs houses; it does not just oversee their construction. But can the proposed agricultural board actually perform the tasks of the farmers themselves?"

Minister al-Dukhayl added that he believes this cannot be achieved inasmuch as the government has no intention of carrying out farming operations. Based on this concept, the state established the Department of Agriculture to oversee agricultural operations at our numerous farms, not to actually carry out these operations.

The minister explained that the Department of Agriculture has complete independence in its operations. He pointed out that new measures will be adopted to strengthen this independence and develop the performance of the Department of Agriculture to make it of greater service to the farmers.

On the other hand, farmers' circles are presently calling for the establishment of a college of agriculture at the University of Kuwait to teach agricultural

sciences based on modern international systems and methods while allowing the student to experience the agricultural situation of the country in which he is studying. This situation differs from country to country, and thus the agricultural engineer who studies abroad and then comes to work in Kuwait often may not achieve the desired success due to lack of practical experience with the nature of agriculture in Kuwait.

For example, the agricultural engineer in Kuwait may be forced to deal with Kuwaiti agricultural land in a manner that is different from what he studied at his university. He may also have to apply agricultural methods that differ from those he studied because each country has its own soil, water resources, and agricultural conditions.

Agricultural circles believe that conditions are now favorable for the establishment of an agricultural college at the University of Kuwait to assume the responsibility of educating a generation of agricultural engineers who are capable of confronting the problems and obstacles faced by Kuwaiti agriculture and finding appropriate solutions for these problems and obstacles.

Kuwaiti agricultural engineers have their own opinions about their contribution to the country's agricultural development. They also have their own opinion about their being encouraged to enter engineering colleges, whether abroad or, if the university is destined to have a new college of agriculture among its numerous colleges, in Kuwait.

The Kuwaiti agricultural engineers feel that the state has the responsibility for encouraging Kuwaiti youth, whereas the Kuwaiti agricultural engineer has not yet received the desired encouragement from the state which would help induce Kuwaiti secondary school graduates to enter agricultural colleges in Arab countries or foreign countries--for the present, at least.

For the proposed agricultural college to succeed, say Kuwaiti agricultural engineers, the state must encourage the agricultural engineer to invest his knowledge and efforts in the service of his nation. It can do this by granting him an agricultural allotment and providing all the agricultural services necessary for cultivation, production, and marketing. Further, they feel it is a mistake for the engineer to learn and graduate merely to sit behind a desk in a government office. The real place of the agricultural engineer is in the field or on the farm.

8591

CSO: 4304/84

FORMER PREMIER INTERVIEWED ON ECONOMY

London AL-MAJALLAH Arabic No 76, 25-31 Jul 81 pp 37-41

[Interview with Salim al-Huss, former Lebanese Premier, by Rabah Munir Shaykh al-Ard; date and place not given]

[Excerpts] In a comprehensive dialogue about Lebanon's economic situation, Salim al-Huss speaks to AL-MAJALLAH: "Lebanese emigrants help support the Lebanese economy; The Lebanese State's failure to play its role contributes to the outbreak of war; Syria is an economic partner with Lebanon...Algeria and Libya decline to give aid;" A dialogue with Rabah Munir Shaykh al-Ard.

[Question] In commenting on the Lebanese national budget, some newspapers have said recently that Lebanon's economy is "on the verge of total collapse." I believe that this comment is somewhat exaggerated and pessimistic. How can we describe the true state of Lebanon's economy now and in the near future?

[Answer] I believe that there is much exaggeration in the comment which you have quoted. It is true that wherever you look, the deficit is an enormous problem. However, let me deal with the matter patiently. The budget of the state of Lebanon, in most of the years preceding the outbreak of war in 1975, seldom showed a deficit. But, with the war, developments arose which caused a yearly deficit in the budget.

This deficit worsened year after year, reaching its peak in the 1981 budget drawn up a few days ago in the Lebanese Parliament. The cause of this deficit is directly linked to the consequences of war.

[Question] Fine. If we want to analyze these causes from the standpoint of the Lebanese budget, how shall we describe them?

[Answer] As far as budget revenues go, the state is suffering a decrease in most of its revenues. It is well known that the primary source of state revenue for Lebanon is customs taxes (duties). In Lebanon today there is a phenomenon which is cause for great concern: the presence of illegal ports, which permits wide-scale smuggling operations. This has deprived the state of most of its levied customs revenues at a time when these revenues should be increasing commensurate with the increase in the volume of imports and the rise in the prices of such imports. As is well known, duties are levied according to value, which is quantity multiplied by price. By increasing the cost of imports, revenue from duties would of course increase

noticeably and the revenue aspect of the budget should improve. However, the opposite has happened. Customs revenues, which are the state's primary source of public funds, have decreased.

[Question] What are other sources of revenue today?

[Answer] There are other sources which are less important than duties from the standpoint of filling the treasury, including income tax and other direct taxes and fees, all of which have decreased because the state is unable to collect them. All of this is interrelated, and the revenue aspect of the budget shrinks.

[Question] Of course this has been accompanied by a large increase in expenditures?

[Answer] Yes. Expenditures have increased greatly because of growing inflation and higher wages, salaries and various types of expenses. The state has also taken on additional burdens because of events which the country has endured such as the material losses sustained by many public utilities. This requires large expenditures by the state for repair and rebuilding or for further development and has led to the tremendous increase in expenditures and the decrease in revenues which we are speaking about.

[Question] The budget deficiency reflects the effects of the civil war in Lebanon on the country's economy. How do you assess these effects?

[Answer] The war had various effects. There were the direct effects represented by the tremendous material losses which affected Lebanon's economy and its internal situation as result of the war. Then there were indirect effects such as the damage to Lebanon in lost income. The Lebanese economy had been growing year by year, but with the war some utilities were completely paralyzed and others partially so, which put a stop to continued economic activity and weakened the growth which the Lebanese economy could have realized during the earlier period. The resulting loss of income must be taken into account.

Emigration--

[Question] In terms of human losses how has the Lebanese economy been affected if we take into consideration the dead, the wounded, the handicapped, the homeless and the immigrants?

[Answer] In addition to what the Lebanese economy has suffered through ruin, destruction and loss of lives in the producing sectors, the war has also brought about an emigration movement which has included much of the skilled and manual labor in search of jobs or security and peace, or both. Today you will find an unprecedented number of Lebanese abroad. This emigration has its bad and good points. The positive aspect is that those who might have been out of work because of the war and the paralyzation of the Lebanese economy, especially in certain regions and trades, went abroad to work and be productive. The large Lebanese community living abroad has been very successful, has shown outstanding results in various spheres and activities and continues to send much of what he earns to his relatives back home.

[Question] Remittances have increased, which has helped improve the budget. In this respect, how do you appraise the contribution of the Lebanese abroad in helping develop the Lebanese economy?

[Answer] The presence of Lebanese abroad and the success that they have achieved in general have made this contribution possible, for money has poured into Lebanon in various ways: some of it is sent to help family and relatives who have remained in Lebanon survive. Some is in the form of investments in property and real estate which have caught the attention of visitors to Lebanon these days. Despite the continuing sad, destructive events, there is noticeable activity in the construction sector. Some of the money has also been invested in the industrial sector. Some factories were renovated and the capacity of others was expanded. As a result of the influx of money from Lebanese expatriates, new industries were established.

[Question] All of these are positive results; however, the emigration of all this manpower has weakened the Lebanese economy because of the skills that were lost.

[Answer] That's true. I was talking about only the good points of emigration; however, we cannot deny that this emigration has its bad points also. We would not have talked about the good points if the Lebanese economy were in a normal state. The skilled and qualified manpower, and the labor force which left should have been used inside the country to serve the Lebanese economy and develop it, but under the devastating circumstances in Lebanon, we considered this a positive phenomenon in the short run. Instead of remaining idle in the country, this qualified labor left in order to produce, invest and assist. There is no doubt that when Lebanon is once again stable which we hope will be soon, the country will need back all this skilled labor, to contribute to rebuilding and developing the country.

[Question] However, the manpower that left because of the war helped create a kind of "international Arab Economy," including a burgeoning Arab economy in Europe. Arab companies, industries, periodicals and important banks are found in the economies of other countries. How do you assess this contribution in other economies and the role Lebanese have played?

[Answer] This is a good phenomenon. There is no doubt that during the crisis, the Lebanese actually served all the Arab economies. The offices, banks and institutions which were established in European capitals and elsewhere throughout the world had an effect on the international economy and will affect the Lebanese economy in particular and the Arab economies in general. Because all these institutions were created to be permanent, the Lebanese and the Arabs have gotten a foothold in the centers of world economic activity. These centers naturally have an effect on development in the Arab world, which will be beneficial in the long run.

[Question] Do you think there is hope that this will weaken the control of foreign countries over the Arab economies by helping to reappportion international activities and by allowing the Arabs to share in banking and finance, thus letting Arab desires take precedence over foreign desires?

[Answer] Of course. This cannot be overlooked. The departure of Lebanese to the centers of international economic activity has opened new horizons and opportunities for Arabs to contribute directly to the international economy and to develop their capabilities in all the different activities which foreigners have monopolized even within the Arab economies. This initiative should be noted, and the Lebanese have had an active, major share in it. I have reiterated that this phenomenon

points consistently to the vitality that the Lebanese businessmen and laborers share. I have said that I am afraid for Lebanon but not for the Lebanese. I am afraid for Lebanon as a land, as a country and as a society, but not for the Lebanese as individuals. The Lebanese have been known for succeeding as individuals but not as members of their society, which was one cause of the war in Lebanon. When Lebanon was shaken by war, many Lebanese emigrated and were very successful. Some of them have achieved results that showed great aptitude. However, we should not be proud of this. We want to develop the Lebanese to be a good citizen for his country and to be a part of his society. We are looking forward to the day that the Lebanese emigrant returns to Lebanon to develop it as a land, as a country and as a society. I think that if half of what happened to Lebanon had happened to another country, you would see the collapse of which you spoke in your first question. But in Lebanon things conformed with reality, and the Lebanese economy remained active. The Lebanese continued to be productive, if not in their country, then abroad, as if there was a distinction between the Lebanese and Lebanon during the war. The war and the crisis continued while the Lebanese was productive both within the country and abroad.

[Question] Lebanon had a special part in the economic life of the Arab world. How can we view the future of this economy if life returns to normal in Lebanon?

[Answer] There is a very crucial transition stage that Lebanon must pass through, one of reconstruction, rebuilding and rectifying the situation resulting from the crisis itself.

[Question] Or which caused the crisis?

[Answer] There are very persistent problems created by the crisis itself like housing, emigration and unemployment, but because many of the unemployed left to work abroad or joined the armed groups, the unemployed are not visible these days. However, there is still some hidden unemployment. Peace will be very difficult at first because of the problems created by the crisis. These problems are very acute: problems of society, labor and those related to relationships which were destroyed by the crisis, such as the relationship between the employer and his employee, the owner and his tenant and between the creditor and the debtor. All these and more were deeply affected by what happened. We tried to face these problems in 1977; that is after the two years' war, when I took charge of my first government. We believed that the crisis was over and that we were facing a new page in Lebanon's history, one of building and growth. The hardest problems that we had to face were those relationships and how to rectify them. We had discussions with all the various parties in the different areas—wide-ranging discussions, some of which were very emotional—trying to restore the relationships which were destroyed by the war over two years. Legislation and regulations were drawn up as to what the relationship should be between employer and employee, owner and tenant, creditor and debtor and many other types of relationships. However, in no time, the security situation collapsed again, and these relationships deteriorated once more.

Two Necessary Elements--

[Question] Security and peace are necessary to revive the Lebanese economy, but if the economy does recuperate, would you want it to be as it was before the war, or

to benefit from what happened, create a new kind of economy and avoid the disruption of the past?

[Answer] Of course, of course. I have been saying that reconstruction has to be an improvement and not merely reconstruction. I think that one of the reasons for the crisis to which I just referred is the imbalance inside Lebanese society and the Lebanese economy. In the past, the Lebanese economy achieved splendid results, but they were superficial rather than deep-rooted because the economy depended on the freedom and initiative of the individual. Freedom is one of the virtues that the Lebanese economy should preserve because Lebanon's most important resource is its people and a person needs freedom to give what he has. Freedom should also be preserved because it was one of the reasons for the momentum of growth of the Lebanese economy in the past. However, free enterprise does not mean in my opinion the "hands-off" way in which the state stopped carrying out its active duties.

[Question] What should the state do in the future that it did not do in the past?

[Answer] The state should carry out all its duties under an open system, which is the opposite of what was happening before the crisis. Specifically, the Lebanese government was not as concerned about the Lebanese economy as it should have been. Therefore, as a result of the "hands-off" policy, crises erupted such as inflation, visible and hidden unemployment, specific problems in certain industries such as the textile industry and the banking crisis in the 1960's which came to a head with the bankruptcy of Intrabank. All these crises indicated the weakness of the government in fulfilling its economic duties. In addition to these crises, the "hands-off" policy which the government pursued through the years suffocated some spheres of economic activity. All of us remember the jam at Beirut's port when scores of ships waited to enter the port before the war. The roads were also jammed and there was a continual shortage of electricity and water throughout the country. The transportation network could not keep up with economic growth. Even the Lebanese bureaucracy was facing a crisis and did not develop quickly enough to keep up with events. All these crises occurred because the government did not intervene before they arose. When the crises did erupt, the situation was out of their hands. The state did not make the necessary investments in various utilities, such as ports, roads, airports, and water and electrical facilities. Therefore, these crises blocked the development of the Lebanese economy.

[Question] And the social problems?

[Answer] This is the crux of the matter and very important. Because the Lebanese government neglected its duties, obvious differences arose among the various factions and regions in Lebanon. I would like to mention the catchy expressions that before the crisis appeared in the newspapers daily--"the chains of misery around the capital" and "the chains of misery." The war struck at the chains and unfortunately left the misery untouched. Rather, it struck the chains, causing disorder everywhere, and deepened the misery within Lebanese society. In Lebanon there were "great shortages" and "extensive prohibited areas." These expressions were familiar before 1975. Why were there shortages? Why were there prohibited areas? Why were there chains of misery around the capital? All this shows the government's neglect of its duties, even under free enterprise. Free enterprise does not mean that the government abandons its role. I think free enterprise

increases the government's duty to be involved. The role of a government under free enterprise is great, active and positive on three levels.

--facing crises before they occur and if they occur, containing them;

--avoiding any cut-off in public services;

--treating the economic and social situations in such a manner that no differences arise between areas or groups.

In rebuilding the Lebanese economy, all these problems should be corrected, and the government must direct, supervise and invest.

[Question] What are the instruments of these tasks? Will they be in planning or in something wider in scope?

[Answer] For this purpose we created the (Development and Reconstruction Committee) and gave it powers more far-reaching than any other department in the Lebanese government, including the Ministry of Planning, has ever had. The (Development and Reconstruction Committee) is made up of specialists and is given extensive powers to plan, finance and direct. This committee is the instrument.

[Question] One element of the financing to rebuild Lebanon is monetary aid. What are the extent and conditions of this assistance? To what degree does it keep the Lebanese economy from collapsing or support its reconstruction and development activities?

[Answer] Until now, Arab assistance has not been enough either for the level of destruction which occurred in Lebanon or for the necessary reconstruction. In addition, the Lebanese plans for reconstruction and development were not completed because of the events which have continued since 1975. We hope that when stability returns to Lebanon, extensive programs will be drawn up to rebuild and develop Lebanon and that the Arab countries will step in with sufficient financial assistance by adopting and supporting all of these plans until they take shape and succeed. Arab assistance has taken many forms so far, including the loans which Lebanon has obtained from existing Arab institutions such as the Kuwaiti Fund for Arab Economic Development, the Abu Dhabi Fund for Economic Development and the Arab Fund for Social and Economic Development. These are natural channels which any Arab country could turn to without having suffered destruction and ruin. We have also received a little help from some of the Arab countries in the form of grants for relief, to treat social problems, to aid the southern part of Lebanon, grants to (the settlement Council) and to others. During the Summit Conference in Tunis, a decision was made to give Lebanon \$2 billion in aid to be paid within five years (about \$400 million a year). This amount was divided among certain Arab countries. However, two countries declined to pay their share--Algeria, because of its financial situation, and Libya. The remainder of the Arab countries paid about \$300 million, but this amount was insignificant compared to what Lebanon needs yearly to rebuild itself. The rebuilding has not started yet on a large scale because of the circumstances in the country. When stability returns, there is no doubt that the needs will be sizeable and what we will expect from our Arab brothers will be a lot more than we have gotten so far.

The Syrian role--

[Question] What is the Syrian role in the Lebanese economy?

[Answer] Syria is a natural economic and trading partner with Lebanon. It is a neighbor and has had a long and close economic history with Lebanon. Remember that they had a customs union, a duties union.

[Question] Before the "break" brought about by former Syrian Prime Minister Khalid al-'Azam?

[Answer] Yes. Economic relations stayed naturally strong because of the discussions, the meshing of the two countries' economies and the natural unity between them created by history and geography. Syria used Lebanese ports and Lebanese used Syrian territory for passage. The interrelationship between the two countries was extensive and strong.

[Question] To what degree can we say that there are several economies in Lebanon rather than just one, which reflects the current fragmentation brought about by the political and military elements?

[Answer] The borders which exist in Lebanon now are temporary and accidental, and we hope that these obstacles will disappear when security and peace return to Lebanon. Despite these borders, all the elements and manifestations of economic unity still exist. The truth is that despite all that has happened, the Lebanese economy continues to operate and be active. This is for many reasons, including the presence of Lebanese abroad, the money they send to relatives and their help in rebuilding and developing Lebanon.

9882

CSO: 4304/97

LEBANON

NEW TELEVISION STATION BEGINS BROADCAST

TAl31251 Jerusalem Domestic Service in Hebrew 1100 GMT 13 Sep 81

[From the Midday Newsreel]

[Text] Initial color broadcasts transmitted by the Star of Hope Television Station in southern Lebanon were well received in the north of the country at the end of last week. This station will move into full program of broadcasts in the coming days and our correspondent, Hayim Hecht, reports its owners emphasize again that they have no connection with hotelier Hayim Schiff.

[Begin recording] At the end of the week the initial broadcasts of the Star of Hope Television Station owned by U.S. Priest George Otis were transmitted from the broadcasting van located in Haddad's territory not far from the Israeli northern border. The color broadcasts which were received well in the northern settlements included programs for children, Westerners and documentaries on religion. Fully recognizing the sensitivity of the religious issue in Israel, the station personnel have so far refrained from preaching and settled for films on the life of Moses, for example.

The station personnel are currently dealing with putting up additional boosters which will increase the range of their transmissions. At this stage the broadcasts are transmitted with the aid of transmitters in Marun al-Ra's, in the (Nabi 'Awadah) mountain area opposite Misgav 'am.

At the end of the week a light Centurion-type plane called the Wings of Hope [last three words in English] arrived in Israel. The plane will serve the television station for the transfer of films and reports from the center of Israel and, when necessary, will be used for the transfer of wounded people from southern Lebanon to Israel's hospitals. The words--pray for peace--are conspicuous on the plane. The station's owners intend to overhaul an old British landing strip north of Metulla for the use of the plane. The pilot of the Wings of Hope is Jerry (Tubayas). (Tubayas) was one of the pilots of the White House Boeing planes intended for use as a flying command room in case of emergency.

The representatives of George Otis, the station's owner, repeat their denial of any connection to hotelier Hayim Schiff. [end recording]

CSO: 4323/65

LEBANON

BRIEFS

S. LEBANESE AIRLINE--Major Sa'd Haddad is about to establish an airline. It will operate under the flag of free southern Lebanon from an old British airfield in the Marj 'Uyun Valley. This was learned by our correspondents Hannan 'Azran and Yoram Hamizrahi. Our correspondents report that negotiations are now under way with an Israeli aviation company, which rebuilds planes, for the purchase of two aircraft for the airline which Haddad intends to establish. [Text]
[TA132022 Jerusalem Domestic Television Service in Hebrew 1900 GMT 13 Sep 81]

POLICE POST OPENED--The first police station in the Christian enclaves controlled by the militia in southern Lebanon opened yesterday in the town of Marj 'Uyun north of Metulla. The station was established and is run by the militia although it is manned by policemen who have been sent to the area from Beirut. This is the first time since the enclaves controlled by Maj Sa'd Haddad declared their independence that a police station subordinate to the commander of police in Beirut operates in this area. To date, police and criminal affairs in the enclaves have been handled by representatives of Major Haddad whom he had especially appointed to this task. Militia sources expressed the hope that the policemen would impose Lebanon's sovereignty in the area beyond the boundaries of the enclaves which are controlled by the terrorists. They noted that the first task of the policemen would be to maintain freedom of movement on roads harassed by the terrorists and to regain control over the al-Qasimiyah bridge on the Litani River when its building is completed lest it be taken over by the terrorists. [Menahem Rahat] [Text]
[TA161218 Tel Aviv MA'ARIV in Hebrew 16 Sep 81 p 9]

CSO: 4323/65

MAURITANIA

INTERVIEW WITH KANE SOULEYMAN, DIRECTOR OF NATIONAL LANGUAGES INSTITUTE

Nouakchott CHAAB in French 29 Jul 81 pp 3, 8

[Interview with Kane Souleyman, director of the National Languages Institute, by Abba O. Mohamed, date and place not specified]

[Text] The National Languages Institute [ILN] is the body responsible for concretizing our country's policy on teaching our national languages: Pulaar, Soninke, and Ouolof. Established in 1979, the ILN's mission is to make preparations for the introduction of those languages into our national educational system within the next 6 years. Since its creation, the ILN has been ready to carry out its mission.

In this major interview, Kane Souleyman, director of the ILN, tells us about steps being taken to transcribe our national languages as well as about other matters affecting the progress of the Institute.

[Question] Can you tell us, Mr Director, how far we have gotten on transcription of our national languages?

[Answer] The CMSN [Military Committee for National Salvation] decided at its meeting held 8-18 October 1979 to transcribe our national languages: Pulaar, Soninke, and Ouolof--into the Latin letter adopted by the African states, in order to achieve compatibility and facilitate exchanges of experiences in this field.

It was decided during the said meeting to create an instrument which would be responsible for concretizing our country's policy on teaching our above-mentioned three national languages, specifically by: making preparations for their introduction into our national educational system over the next 6 years (1980-1985). This instrument is the National Languages Institute which was established by decree 79,348 of 10 December 1979.

This institution did not really get under way until near the end of 1980, and since then it has accomplished substantial work toward preparing for the insertion of the said languages into the curriculum; among its accomplishments has been the development of a national alphabet of these languages. This alphabet was adopted by decree 81 072/PG/MEN of 15 July 1981.

Others include:

- the holding of the first meeting of the scientific council.
- the development of an ILN action program.
- the holding of study sessions 20-26 April 1981, out of which ILN was able to translate teaching technology into the various languages. Experts from Mali, Senegal, and Alecso participated in these study sessions.

A list of 5,000 words in each of the three languages that can serve as a basis for teaching materials came out of the study sessions and is presently being prepared.

The institute has also sent study missions to the following countries: Senegal, Mali, Niger, and Guinea, in order to learn from their experiences in the promotion of national languages.

International organizations are also very interested in the promotion of national languages. This is why the director of ILN was privileged to be invited by the director of Alecso to Tunis last February.

The agency for cultural and technical cooperation invited ILN to participate in meetings dealing with the Peul and Manding languages in Bamako and Abidjan, and dealing with Soninke in Dakar.

The institute has taken trips to make contact and enhance awareness in the Brakna, Assaba, Guidimakha and Gorgol regions. The populations in these regions were very responsive to the decision of the CMSN and the government concerning the introduction of our national languages into our educational system.

Conscious of the need for compatibility with neighboring countries in the field of national language promotion, Mauritania adopted the uniform alphabet which emerged from the conference held in Bamako 28 February-5 March 1966 under the aegis of UNESCO [United Nations Educational Scientific and Cultural Organization], a conference in which several African and non-African linguists took part. Our country was represented by our technical adviser, Professor Oumar Ba.

[Question] What are the problems facing you in carrying out the transcription?

[Answer] With respect to problems relating to the transcribing of our national languages, the institute has found that the ground has already been cleared before it. It has reaped the fruits of the efforts of neighboring countries, national cultural associations, and African students in Egypt, in this field, thanks to our country's willingness to cooperate with them in order to profit from their experience. This is why the ILN has not run into any problems of this kind.

[Question] Why did it finally decide to transcribe the national languages into Latin characters rather than the Arabic?

[Answer] The choice of Latin letters for the transcription of our national languages was in my opinion justified. The arguments advanced above suffice to answer that question.

[Question] What lessons have you at the institute learned from the experiences of other African countries? What kind of cooperative links does the institute maintain with these African states?

[Answer] Cooperation between the ILN and neighboring countries started from its birth. It has been concretized in exchanges of missions and documents.

[Question] What steps lie ahead for you?

[Answer] The ILN is planning on carrying out research on languages in the country's interior, and will be training teachers starting this August before holding experimental classes expected to begin in October 1982. The teachers will be involved in designing the teaching materials.

Also, we are expecting training grants both at the national and international level.

In that regard, some institutions have begun to offer grants in linguistic fields.

Then we will initiate instruction in the national languages at the level of ENA [National School of Administration], ENI, ENS [expansions unknown], and launch a national campaign to promote literacy in the national languages. This is scheduled to begin in October 1982. It will focus primarily on production units and the rural sector.

The institute will be involved in training teachers who will be teaching Arabic as a second language. The international Arabic language institute at Khartoum has given us a grant in this field.

9516

CSO: 4519/48

RECENT FOREIGN BANK RESTRICTIONS ANALYZED

Paris AL-MUSTAQBAL in Arabic No 231 25 Jul 81 p 43

[Article: "Concerning the Curtailment of Branches of Foreign Banks in the UAE"]

[Text] As a measure taken in the public interest in order to reorganize banking activity, in order to assure that UAE laws are carried out, and in order to serve the national interest, the Central Bank has decided to curtail [the number of] branches of foreign banks operating in the UAE since the number of such branches, in fact, is greater than that which is needed by society. In order to clarify matters, the bank director said that this decision is not directed against any foreign institution (as some people later on will prefer to believe), and that it is merely a measure which, first and foremost, has been taken in the national interest.

In order to understand the problem, let us go back a few years--before every major bank had 9 or 10 branches in a country which has no more than 8 principal cities. Let us see to what degree these banks have contributed toward serving the national economy, or toward ruining it, if one may use that expression.

According to official statistics which were put out by the Central Bank, in 1976 bank credit was distributed as follows: 49.9 percent for commerce, 24.8 percent for construction, 6 percent for the government, 5.6 percent for industry, 2.1 percent for other financial institutions, 3 percent for electricity, water, and gas, 1.9 percent for transportation, 2 percent for mines and the mining industry, 1 percent for agriculture, and 7.5 percent for other activities.

What these figures show is that the nation's production sector, that is, the sectors of agriculture, industry, and mining, received only 8 percent of this credit whereas 92 percent of it went to the service sectors. The service sectors are very active and they, in turn, pay high interest rates [to the banks]. These interest rates represent money which is taken out of normal production and is turned into profits which are frozen in foreign banks, that is, profits which are never invested inside the boundaries of the UAE.

In order not to have this analysis restricted to a single year (and in order to avoid probable criticism), it should be mentioned that the year 1980 (that is, 4 years after 1976) saw no change in the situation regarding the sector of agriculture and industry. In 1980, credit was distributed as follows: 32.7 percent

for construction, 38.25 percent for commerce, 2.35 percent for transportation and storage, 8 percent for the government, and 11.56 percent for other activities. Industry received 6.64 percent of the credit, and agriculture received 0.035 percent.

This is why it has been important to establish specialized banks to increase the efficiency of the production sectors--such as the industrial bank, land bank, and agricultural bank.

Naturally, the establishment of these banks, in addition to the other already existing national banks, will conflict with the numerous foreign banks in the country, of which there are more than the country needs. Therefore it was necessary to strive to decrease the number of branches of the main banks in order to prevent the draining off of resources necessary for the success of national banks which are supposed to strive to improve the agricultural and industrial production sectors for the sake of diversifying [the nation's] sources of income.

The Central Bank's decision is for the benefit of UAE citizens, and no heed should be paid to people who will be interpreting this decision to mean something that it does not mean. It is our right to utilize our resources and develop our production ourselves.

9468

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